

# भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II—खण्ड 2

PART II—Section 2

प्रधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 28]

नई दिल्ली, सोमवार, मई 29, 1972/ज्येष्ठ 8, 1894

No. 28]

NEW DELHI, MONDAY, MAY 29, 1972/JYAISTHA 8, 1894

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed as a separate compilation.

## LOK SABHA

The following Bills were introduced in Lok Sabha on the 29th May, 1972:—

### BILL NO. 57 OF 1972

*A Bill further to amend the University Grants Commission Act, 1956.*

BE it enacted by Parliament in the Twenty-third Year of the Republic of India as follows:—

1. (1) This Act may be called the University Grants Commission (Amendment) Act, 1972.

Short title and commencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

3 of 1956.

2. In section 2 of the University Grants Commission Act, 1956 (hereinafter referred to as the principal Act), in clause (d), after the words "the Chairman", the words "and Vice-Chairman" shall be inserted.

Amendment of section 2.

3. For section 5 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 5, Composition of the Commission.

"5. (1) The Commission shall consist of—

- (i) a Chairman,
- (ii) a Vice-Chairman, and
- (iii) ten other members,

to be appointed by the Central Government.

(2) The Chairman shall be chosen from among persons who are not officers of the Central Government or of any State Government.

(3) Of the other members referred to in clause (iii) of sub-section (1)—

(a) two shall be chosen from among the officers of the Central Government, to represent that Government;

(b) not less than four shall be chosen from among persons who are, at the time when they are so chosen, teachers of Universities; and

(c) the remainder shall be chosen from among persons—

(i) who have knowledge of, or experience in, agriculture, commerce, forestry or industry;

(ii) who are members of the engineering, legal, medical or any other learned profession; or

(iii) who are Vice-Chancellors of Universities or who, not being teachers of Universities, are, in the opinion of the Central Government, educationists of repute or have obtained high academic distinctions:

Provided that not less than one-half of the number chosen under this clause shall be from among persons who are not officers of the Central Government or of any State Government.

(4) The Vice-Chairman shall exercise such of the powers, and discharge such of the duties, of the Chairman as may be prescribed.

(5) Every appointment under this section shall take effect from the date on which it is notified by the Central Government in the Official Gazette."

Amend-  
ment of  
section 6.

4. In section 6 of the principal Act,—

(i) for sub-section (1), the following sub-section shall be substituted, namely:—

"(1) A person appointed as Chairman, Vice-Chairman or other member shall, unless he becomes disqualified for continuing as such under the rules that may be made under this Act,—

(a) in the case of Chairman, hold office for a term of five years; and

(b) in the case of Vice-Chairman or any other member, hold office for a term of three years:

Provided that—

(i) a person who has held office as Chairman or Vice-Chairman shall be eligible for further appointment as Chairman, Vice-Chairman or other member, and

(ii) a person who has held office as any other member shall be eligible for further appointment as Chairman, Vice-Chairman or other member:

Provided further that a person who has held office for two terms, in any capacity, whether as Chairman, Vice-

Chairman or other member, shall not be eligible for any further appointment as Chairman, Vice-Chairman or other member.”;

(ii) for sub-sections (3) and (4), the following sub-sections shall be substituted, namely:—

“(3) If a casual vacancy occurs in the office of the Chairman, whether by reason of his death, resignation or inability to discharge his functions owing to illness or other incapacity, the Vice-Chairman holding office as such for the time being shall, notwithstanding anything contained in sub-section (2) of section 5, act as the Chairman and shall, unless any other person is appointed earlier as the Chairman, hold the office of the Chairman for the remainder of the term of office of the person in whose place he is to so act:

Provided that where no Vice-Chairman is holding office at the time when the vacancy in the office of the Chairman occurs, the Central Government shall, notwithstanding anything contained in sub-section (2) of section 5, appoint any other member to act as the Chairman and the person so appointed shall not hold the office of the Chairman for a period exceeding six months.

(4) If a casual vacancy occurs in the office of the Vice-Chairman or any other member, whether by reason of his death, resignation or inability to discharge his functions owing to illness or other incapacity, such vacancy shall be filled up by the Central Government by making a fresh appointment and the member so appointed shall hold office for a term of three years.

(5) The office of the Chairman and the Vice-Chairman shall be whole-time and salaried and subject thereto, the terms and conditions of service of the Chairman, Vice-Chairman and other members shall be such as may be prescribed.”.

5. In section 12 of the principal Act,—

Amend-  
ment of  
section 12.

(i) in clause (c), for the words “necessary for the development of such Universities”, the words “necessary or appropriate for the development of such Universities or for the maintenance, or development, or both, of any specified activities of such Universities” shall be substituted;

(ii) after clause (c), the following clause shall be inserted, namely:—

“(cc) allocate and disburse out of the Fund of the Commission, such grants to institutions deemed to be Universities in pursuance of a declaration made by the Central Government under section 3, as it may deem necessary, for one or more of the following purposes, namely:—

- (i) for maintenance in special cases,
- (ii) for development,
- (iii) for any other general or specified purpose;”.

Insertion  
of new  
section  
12A.

Prohibi-  
tion  
regard-  
ing  
giving  
of any  
grant to a  
University  
not  
declared  
by the  
Commis-  
sion fit  
to  
receive  
such  
grant.  
Amend-  
ment of  
section 14.

6. After section 12 of the principal Act, the following section shall be inserted, namely:—

“12A. No grant shall be given by the Central Government, the Commission, or any other organisation receiving any funds from the Central Government, to a University which is established after the commencement of the University Grants Commission (Amendment) Act, 1972, unless the Commission has, after satisfying itself as to such matters as may be prescribed, declared such University to be fit for receiving such grant.”.

7. In section 14 of the principal Act,—

(i) after the words and figures “or section 13”, the words, brackets, letters and figures “or contravenes the provisions of any rule made under clause (f) or clause (g) of sub-section (2) of section 25, or of any regulation made under clause (e) or clause (f) or clause (g) of section 26,” shall be inserted;

(ii) for the words “for its failure to comply with such recommendation”, the words “for such failure or contravention,” shall be substituted.

Insertion  
of new  
section 27.

8. After section 26 of the principal Act, the following section shall be inserted, namely:—

Power to  
delegate.

“27. (1) The Commission may, by regulations made under this Act, delegate to its Chairman, Vice-Chairman or any of its officers, its power of general superintendence and direction over the business transacted by, or in, the Commission, including the powers with regard to the expenditure incurred in connection with the maintenance of the office and internal administration of the Commission.

(2) No regulation shall be made under this section except with the previous approval of the Central Government.”.

Transi-  
tional  
provi-  
sions.

9. Every member of the Commission holding office as such immediately before the commencement of this Act, shall continue to hold such office after such commencement until the reconstitution of the Commission in accordance with the provisions of the principal Act, as amended by this Act:

Provided that the person holding, immediately before the commencement of this Act, the office of the Chairman, shall continue to hold that office by the same tenure and upon the same terms and conditions as he held it immediately before such commencement.

Repeal.

10. The University Grants Commission (Amendment) Act, 1970, is hereby repealed.

### STATEMENT OF OBJECTS AND REASONS

The University Grants Commission (Amendment) Act, 1970 (27 of 1970) was not brought into force because the provisions of that Act, particularly those relating to the appointment of the members of the Commission, needed further consideration. The various issues involved have been discussed with the Chairman of the University Grants Commission and some other eminent educationists. In the light of these discussions, it has been decided to modify some of the amendments which were made by the Amendment Act of 1970. It is, therefore, proposed to repeal the Amendment Act of 1970 and to make fresh amendments in the University Grants Commission Act, 1956.

2. The main features of the Bill are:—

(a) The number of members of the Commission will be increased from 9 to 12 of whom two shall be full-time members, namely, the Chairman and the Vice-Chairman;

(b) Serving Vice-Chancellors and Heads of institutions which are entitled under the Act to receive grants from the Commission will be made eligible for being appointed as members of the Commission;

(c) In the case of a casual vacancy in the office of the Chairman by reason of his death or resignation or inability to discharge his functions owing to illness or other incapacity, the Vice-Chairman will act as Chairman and shall, unless any other person is appointed earlier as Chairman, hold office for the remainder of the term of the out-going Chairman. In case there is no Vice-Chairman at the time when the casual vacancy occurs, the Central Government will have power to appoint any member of the Commission to act as Chairman for a period not exceeding six months;

(d) Casual vacancies in the office of members of the Commission which were hitherto filled for the residue of the term of the out-going members will now be filled for a full term.

(e) The Commission will be empowered to give assistance to the non-Central Universities for the maintenance of their special activities like centres of advanced study;

(f) The Commission will be empowered to give grants to institutions deemed to be Universities in pursuance of a declaration made under section 3 of the Act for their maintenance in special cases, development or for other specified purposes;

(g) The Central Government, the Commission or any other organisation receiving any funds from the Central Government will not give any grant to any University which is established after the commencement of the present Amendment Act unless such University has been declared by the Commission to be fit for receiving such grants;

(h) The power of the Commission under section 14 of the Act to withhold grants from Universities which fail to comply with any recommendation made by the Commission under section 12 or section 13 of the Act will be amplified to bring within its purview the contravention of any of the rules or regulations made under section 25 or section 26 of the Act, dealing with inspection of Universities, returns required to be furnished by the Universities to the Commission and certain other matters;

(i) The Commission will be empowered to make regulations regarding delegation by the Commission to its Chairman, Vice-Chairman, or officers of its power of general superintendence and direction over the business transacted by, or in, the Commission including the powers with regard to the office expenditure and other matters relating to the internal administration of the Commission.

NEW DELHI;  
*The 17th May, 1972.*

S. NURUL HASAN.

---

PRESIDENT'S RECOMMENDATION UNDER ARTICLE 117 OF THE  
CONSTITUTION OF INDIA

[Copy of letter No. F. 9-63/71-L.U., dated the 24th May, 1972, from Prof. S. Nurul Hasan, Minister of Education, Social Welfare and Culture, to the Secretary, Lok Sabha.]

The President having been informed of the subject matter of the proposed University Grants Commission (Amendment) Bill, 1972 has, in pursuance of clause (3) of article 117 of the Constitution of India, recommended the consideration of the same by the Lok Sabha.

## FINANCIAL MEMORANDUM

Clause 3 of the Bill contemplates an increase in the number of members of the University Grants Commission from 9 to 12. It also empowers the Central Government to appoint, besides the Chairman, a Vice-Chairman. The extra yearly expenditure which would be involved towards payment of the travelling and daily allowances for the additional members and the salary which would become payable to the full-time Vice-Chairman would come to about Rs. 40,000.

2. Clause 5 of the Bill empowers the Commission to give continued assistance to the Universities in such measures and for as long as is considered necessary for the maintenance of any specified activities of such Universities. The said clause also empowers the Commission to give grants, in special cases, for the maintenance of institutions which are deemed to be Universities. At present, the Commission is competent to give only development grants to State Universities and institutions deemed to be Universities. Grants of the order of about Rs. 1.5 crores are at present given jointly by the Commission and the Central Government to various institutions declared as deemed Universities under section 3 of the principal Act. Clause 5 of the Bill will only enable the Government to route these grants through the Commission wherever considered necessary. The above provisions will not thus cause any extra expenditure from the Consolidated Fund of India. However, the expenditure, which will be of a recurring nature, is not expected to exceed Rs. 1.5 crores per annum.

3. The extra expenditure which is likely to be involved on account of assistance which the Commission may render for maintenance of specified activities of the Universities will be met from the budget of the Commission whenever the Commission decides to render such assistance.

4. The provisions of the Bill are not likely to have any appreciable impact on the overall budget of the Commission which is about Rs. 36 crores per year at present.

5. There will be no non-recurring expenditure.

## MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 8 of the Bill empowers the University Grants Commission to make regulations with the previous approval of the Central Government regarding the delegation by it to its Chairman, Vice-Chairman or any of its officers, of its powers of superintendence and direction over the business transacted by, or in, the Commission, including the powers with regard to the expenditure incurred in connection with the maintenance of the office and internal administration of the Commission.

2. This provision is proposed to be inserted with a view to enabling the Commission to delegate to its Chairman, Vice-Chairman and other officers such of the above-mentioned powers as it may consider necessary. Experience has shown that the activities of the Commission have been hampered by the fact that all the powers are at present concentrated in the Commission, as a whole, which meets periodically.

3. These matters pertain to procedure, form or detail and as such the delegation of legislative power is of a normal character.



## BILL No. 60 OF 1972

*A Bill to provide for the acquisition and transfer of shares of Indian insurance companies and undertakings of other existing insurers in order to serve better the needs of the economy by securing the development of general insurance business in the best interests of the community and to ensure that the operation of the economic system does not result in the concentration of wealth to the common detriment, for the regulation and control of such business and for matters connected therewith or incidental thereto.*

BE it enacted by Parliament in the Twenty-third Year of the Republic of India as follows:—

## CHAPTER I

## PRELIMINARY

1. (1) This Act may be called the General Insurance Business (Nationalisation) Act, 1972. Short title and commencement.

(2) It shall come into force on such date as the Central Government may, by notification, appoint.

2. It is hereby declared that this Act is for giving effect to the policy of the State towards securing the principles specified in clause (c) of article 39 of the Constitution. Declaration as to the policy of the State.

*Explanation.*—In this section, “State” has the same meaning as in article 12 of the Constitution.

3. In this Act, unless the context otherwise requires,— Definition.

(a) “acquiring company” means any Indian insurance company and, where a scheme has been framed involving the merger of one Indian insurance company in another or the amalgamation of two or more such companies, means the Indian insurance company in which any other company has been merged or the company which has been formed as a result of the amalgamation;

(b) “appointed day” means such day as the Central Government may, by notification, appoint;

1 of 1956. (c) “Companies Act” means the Companies Act, 1956;

(d) “Corporation” means the General Insurance Corporation of India formed under section 9;

17 of 1971. (e) “existing insurer” means every insurer the management of whose undertaking has vested in the Central Government under section 3 of the General Insurance (Emergency Provisions) Act, 1971, and includes the undertaking of the Life Insurance Corporation in so far as it relates to the general insurance business carried on by it;

(f) “foreign insurer” means an existing insurer incorporated under the law of any country outside India;

(g) "general insurance business" means fire, marine or miscellaneous insurance business, whether carried on singly or in combination with one or more of them, but does not include capital redemption business and annuity certain business;

(h) "Government company" means a Government company as defined in section 677 of the Companies Act;

(i) "Indian insurance company" means an existing insurer having a share capital who is a company within the meaning of the Companies Act;

(j) "Insurance Act" means the Insurance Act, 1938;

4 of 1938.

(k) "Life Insurance Corporation" means the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956;

31 of 1956

(l) "notification" means a notification published in the Official Gazette;

(m) "prescribed" means prescribed by rules made under this Act;

(n) "Schedule" means the Schedule to this Act;

(o) "scheme" means the scheme framed under section 16;

(p) words and expressions used in this Act but not defined herein and defined in the Insurance Act, shall have the meanings respectively assigned to them in that Act;

(q) words and expressions used in this Act but not defined herein or in the Insurance Act and defined in the Companies Act, shall have the meanings respectively assigned to them in the Companies Act.

## CHAPTER II

### TRANSFER TO PUBLIC OWNERSHIP OF GENERAL INSURANCE BUSINESS

Transfer  
of shares  
of Indian  
insurance  
companies.

4. (1) On the appointed day, all the shares in the capital of every Indian insurance company shall, by virtue of this Act, stand transferred to and vested in the Central Government free of all trusts, liabilities and encumbrances affecting them.

(2) Out of the shares so transferred and vested, the Central Government shall, immediately thereafter, by notification, provide for the transfer of not less than ten shares to such persons as may be specified in the notification to enable the Indian insurance company to function as a Government company.

(3) Every notification made under sub-section (2) shall specify the names and description of the persons to whom the shares are transferred and the particulars of the shares which are transferred to each such person.

(4) A copy of every notification made under sub-section (2) shall, as soon as may be after it is made, be sent by the Central Government to the concerned Indian insurance company, who shall, on receipt of such copy, and notwithstanding anything contained in the Companies Act or in its articles of association, forthwith rectify its register of members by including therein the persons mentioned in the notification as the holders of the shares specified therein.

(5) For the removal of doubts it is hereby declared that the transfer and vesting of shares effected under sub-section (1) shall not be deemed to affect any right of the Indian insurance company subsisting immediately before the appointed day against any shareholder to recover from him any sum of money on the ground that shareholder has not paid or credited to the insurer the whole or any part of the value of the shares held by him or on any other ground whatsoever.

5. (1) On the appointed day, the undertaking of every existing insurer who is not an Indian insurance company shall stand transferred to and vested in the Central Government and the Central Government shall immediately thereafter provide, by notification, for the transfer to and vesting in such Indian insurance company, as it may specify in the notification, of that undertaking.

Transfer of undertakings of other existing insurers.

(2) Any notification made under sub-section (1) may provide that any of the undertaking aforesaid may be transferred to and vested in more than one Indian insurance company in such manner and subject to such conditions as may be specified in the notification.

6. (1) The undertaking of every such existing insurer as is referred to in section 5 shall be deemed to include all assets, rights, powers, authorities and privileges and all property, movable and immovable, cash balances, reserve funds, investments and all other rights and interests in, or arising out of, such property as were immediately before the appointed day in the ownership, possession, power or control of such existing insurer in relation to the undertaking, whether within or without India, and all books of accounts, registers, records and all other documents of whatever nature relating thereto, and shall also be deemed to include all borrowings, liabilities and obligations of whatever kind then subsisting of the existing insurer in relation to the undertaking.

Effect of transfer of undertakings.

(2) Unless otherwise expressly provided by this Act, all deeds, bonds, agreements, powers of attorney, grants of legal representation and other instruments of whatever nature subsisting or having effect immediately before the appointed day and to which any such insurer as is referred to in section 5 is a party or which are in favour of such existing insurer shall be of as full force and effect against or in favour of the Indian insurance company in which the undertaking or the part to which the instrument relates has vested and may be enforced or acted upon as fully and effectually as if, in the place of the existing insurer referred to in section 5, the Indian insurance company in which the undertaking or any part thereof has vested had been a party thereto, or as if they had been issued in its favour.

(3) If, on the appointed day, any suit, appeal or other proceeding of whatever nature in relation to any business of the undertaking which has been transferred under section 5 is pending by or against any such existing insurer as is referred to in that section, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the undertaking or of anything contained in this Act, but the suit, appeal or other proceeding may be continued, prosecuted and enforced by or against the Indian insurance company in which the undertaking or the part to which the proceeding relates has vested.

(4) For the removal of doubts it is hereby declared that in the case of a foreign insurer or, as the case may be, Life Insurance Corporation, the

provisions of section 5 and of the preceding sub-sections shall only apply to the extent to which any property appertains, in the former case, to the general insurance business carried on in India and, in the latter case, to the general insurance business carried on, whether within or without India, and to rights and powers acquired, and to debts, liabilities and obligations incurred and to contracts, agreements and other instruments made by the foreign insurer or the Life Insurance Corporation, as the case may be, for the purpose of such general insurance business and to legal proceedings relating to those purposes, and the said provisions shall be construed accordingly.

(5) If any question arises as to whether any property appertains to any such general insurance business as is referred to in this section or whether any rights, powers, liabilities or obligations were acquired or incurred or any contract, agreement or other instrument was made by the foreign insurer or the Life Insurance Corporation, as the case may be, for the purposes of any such business or whether any documents relate to those purposes, the question shall be referred to the Central Government which shall, after giving an opportunity of being heard to the persons interested in the matter, decide it in such manner as it think fit.

Transfer of  
service of  
existing  
employees  
in certain  
cases.

7. (1) Every whole-time officer or other employer of an existing insurer other than an Indian insurance company who was employed by that insurer wholly or mainly in connection with his general insurance business immediately before the appointed day shall, on the appointed day, become an officer or other employee, as the case may be, of the Indian insurance company in which the undertaking of the insurer or that part of the undertaking to which the service of the officer or other employee relates has vested, and shall hold his office or service under the Indian insurance company on the same terms and conditions and with the same rights to pension, gratuity and other matters as would have been admissible to him if there had been no such vesting, and shall continue to do so unless and until his employment in the Indian insurance company in which the undertaking or part has vested is terminated or until his remuneration, terms and conditions are duly altered by that insurer:

Provided that nothing in this sub-section shall apply to any such officer or other employee who has given, in writing, notice to the Central Government or to any person nominated in this behalf by that Government within one month from the appointed day intimating his intention of not becoming an officer or employee of the insurer in whom the undertaking or part thereof to which his service relates has vested.

(2) If any question arises as to whether any person was a whole-time officer or employee, or as to whether any officer or employee, was employed wholly or mainly in connection with the general insurance business of the existing insurer referred to in sub-section (1) or the Insurance Corporation immediately before the appointed day, the question shall be referred to the Central Government which shall, after giving an opportunity of being heard to the person concerned in the matter, decide it in such manner as fit and such decision shall be final.

(3) Notwithstanding anything contained in the Industrial Disputes Act, 1947 or in any other law for the time being in force, the transfer of the services of any officer or other employee from one insurer to another under sub-section (1) shall not entitle any such officer or other employee to any compensation under that Act or any other law for the time being in force, and no such claim shall be entertained by any court, tribunal or other authority.

8. (1) Where an existing insurer has established a provident, superannuation, welfare or any other fund for the benefit of his employees and constituted a trust in respect thereof (hereafter in this section referred to as an existing trust), the moneys standing to the credit of such fund on the appointed day, together with any other assets belonging to such fund, shall stand transferred to and vested in the Indian insurance company on the appointed day free from any such trust if the existing trust had been established before the appointed day either in relation to its own employees or in relation to employees of an existing insurer or the Life Insurance Corporation, as the case may be, whose undertaking has vested in that Indian insurance company.

Provident, superannuation, welfare and other funds.

(2) Where the undertaking of an existing insurer has vested in more than one Indian insurance company, the Central Government may, by order, provide for the apportionment among such Indian insurance companies of any existing trust relating to that undertaking in such manner as in its opinion may be appropriate.

(3) The Indian insurance company shall as soon as may be after the appointed day constitute in respect of the moneys and other assets which are transferred to and vested in it under this section one or more trusts having objects as similar to the objects of the existing trusts as in the circumstances may be practicable.

(4) Where all the moneys and other assets belonging to an existing trust are transferred to and vested in an Indian insurance company under this section, the trustees of such trust shall, as from the appointed day, stand discharged from the trust, except as respects things done or omitted to be done before the appointed day.

### CHAPTER III

#### GENERAL INSURANCE CORPORATION OF INDIA

9. (1) As soon as may be after the appointed day, the Central Government shall from a Government company in accordance with the provisions of the Companies Act, to be known as the General Insurance Corporation of India for the purpose of superintending, controlling and carrying on the business of general insurance.

Formation of General Insurance Corporation of India.

(2) The authorised capital of the Corporation shall be rupees seventy-five crores, divided into seventy-five lakhs fully paid-up shares of one hundred rupees each, out of which rupees five crores shall be the initial subscribed capital of the Corporation.

(3) Allotment of the subscribed capital of the Corporation shall be made in accordance with the memorandum and articles of association of the Corporation.

10. All the shares in the capital of every Indian insurance company which stand transferred to and vested in the Central Government by virtue of section 4 [with the exception of the shares transferred to any person under sub-section (2) of that section] shall, immediately on the formation of the Corporation, stand transferred to and vested in the Corporation and every Indian insurance company shall forthwith give effect to such transfer of shares and rectify its register of members by including therein the Corporation as the holder of such shares.

Transfer to Corporation of shares vested in Central Government.

## CHAPTER IV

## AMOUNTS TO BE PAID FOR ACQUISITIONS

Amounts to be paid for transfer and vesting of shares or undertakings.

11. (1) For the transfer of the shares of each Indian insurance company to, and vesting in, the Central Government, under section 4, there shall be paid by the Central Government to the Corporation, for distribution to the shareholders of each such company, the amount specified against such company in the corresponding entry under column 3 of Part A of the Schedule.

(2) For the transfer to, and vesting in, an Indian insurance company, under section 5, of the undertaking of each existing insurer, who is not an Indian insurance company, there shall be paid by the Central Government to the Corporation, for payment to each such existing insurer, the amount specified against such insurer in the corresponding entry under column 3 of Part B of the Schedule.

Disbursement of amounts by Corporation.

12. (1) The total amount paid by the Central Government under section 11 shall be treated as additional contribution to the subscribed capital of the Corporation and such additional subscribed capital shall stand allotted to, and vested in, the Central Government.

(2) The Corporation shall distribute the amount paid to it under section 11, to the shareholders of each Indian insurance company and to each existing insurer, who is not an Indian insurance company, in accordance with their rights and interests, and, if there is any doubt or dispute as to the right, or extent of the right, of any person to receive the whole or any part of such amount, refer such doubt or dispute to the Central Government for determination and thereafter, act in accordance with the determination made by that Government.

(3) Save as otherwise provided in sub-section (2), the amount referred to in section 11 shall be given in accordance with the provisions of section 13, section 14 or section 15, as the case may be.

Mode of payment.

13. (1) Where the amount referred to in section 11 is to be given—

(a) to the members of an Indian insurance company, the amount due to each such member shall be paid to him in full if it does not exceed twenty-five thousand rupees, and, where it exceeds that amount, shall be paid to him in three equal annual instalments, the first of which shall fall due on the appointed day;

(b) to a foreign insurer, it shall be given to him in cash as soon as may be after the appointed day;

(c) to the Life Insurance Corporation, it shall be given to it in three equal annual instalments, the first of which shall fall due on the appointed day;

(d) to an existing insurer who is a co-operative society, it shall be distributed as soon as may be after the appointed day in accordance with the rules of the society which will apply in case of dissolution of the society;

(e) to an existing insurer not falling within any of the foregoing provisions, it shall be apportioned among the individual policy-holders of the insurer whose policies with that insurer were in force on the appointed day and were compromised in the undertaking of such insurer in proportion to the premiums paid by the policy-holders under such policies and every such payment shall be made either—

(i) in cash, to be sent by postal money order, or

(ii) at the option of the policy-holder, as a deduction in the premium due at the time of the renewal of the policy and such option shall be exercised by the policy-holder before the expiry of three months from the appointed day (or within such further time not exceeding three months as the Central Government may, on the application of the policy-holder, allow); and the option so exercised shall be final and shall not be altered or rescinded after it has been exercised:

Provided that if any policy-holder fails to exercise his option within the time allowed, he shall be deemed to have exercised his option in favour of payment in cash by postal money order.

(2) Where any amount is payable in instalments under the provisions of this section, each instalment shall carry interest at the rate of four per cent. per annum from the appointed day.

14. (1) Notwithstanding anything contained in sub-section (1) of section 13, if a majority in number of the persons, who, immediately before the appointed day, were registered in the books of an Indian insurance company as the members thereof, and representing two-thirds in value of the amount payable to the Indian insurance company, agree either in person or by proxy at a meeting specially convened for the purpose that the amount so payable instead of being distributed among the members shall be given to any such person or body of persons as the members may nominate either at that meeting or subsequently for the purpose of carrying on any business, and the Central Government is satisfied that due provision has been or will be made for the payment of the value of their respective shares to persons who have dissented from the resolution, the amount may be given to the person or body of persons so nominated in such manner and subject to such conditions as the Central Government may think fit.

Amount payable to shareholders may be paid to named persons instead in certain cases.

(2) No resolution passed at any such meeting as is referred to in sub-section (1) held after the expiry of three months from the appointed day shall have any effect unless the meeting has been convened after obtaining the approval of the Central Government.

15. Where a claim to the amount payable under section 11 is made by two or more persons adversely to one another, the Central Government may cause the amount to be deposited in any civil court having jurisdiction in that behalf and the court shall decide as to whom the payment shall be made.

Payment into court in case of rival claim to compensation.

## CHAPTER V

## SCHEME FOR REORGANISATION OF GENERAL INSURANCE BUSINESS

Schemes  
for mer-  
gers of  
companies.  
etc.

16. (1) If the Central Government is of opinion that for the more efficient carrying on of general insurance business it is necessary so to do, it may, by notification, frame one or more schemes providing for all or any of the following matters:—

(a) the merger in one Indian insurance company of any other Indian insurance company, or the formation of a new company by the amalgamation of two or more Indian insurance companies;

(b) the transfer to and vesting in the acquiring company of the undertaking (including all its business, properties, assets and liabilities) of any Indian insurance company which ceases to exist by reason of the scheme;

(c) the constitution, name and registered office and the capital structure of the acquiring company and the issue and allotment of shares;

(d) the constitution of a board of management by whatever name called for the management of the acquiring company;

(e) the alteration of the memorandum and articles of association of the acquiring company for such purposes as may be necessary to give effect to the scheme;

(f) the continuance in the acquiring company of the services of all officers and other employees of the Indian insurance company which has ceased to exist by reason of the scheme, on the same terms and conditions which they were getting or, as the case may be, by which they were governed immediately before the commencement of the scheme;

(g) the rationalisation or revision of pay scales and other terms and conditions of service of such officers and other employees wherever necessary;

(h) the transfer to the acquiring company of the provident, superannuation, welfare and other funds relating to the officers and other employees of the Indian insurance company which has ceased to exist by reason of the scheme;

(i) the continuance by or against the acquiring company of legal proceedings pending by or against any Indian insurance company which has ceased to exist by reason of the scheme, and the initiation of such legal proceedings, civil or criminal, as the Indian insurance company might have initiated if it had not ceased to exist;

(y) such incidental, consequential and supplemental matters as are necessary to give full effect to the scheme.

(2) In framing schemes under sub-section (1), the object of the Central Government shall be to ensure that ultimately there are only four companies in existence and that they are so situate as to render their combined services effective in all parts of India.



(3) Where a scheme under sub-section (1) provides for the transfer of any property or liabilities, then, by virtue of the scheme, the property shall stand transferred to and vested in, and those liabilities shall be transferred to and become the liabilities of, the acquiring company.

(4) If the rationalisation or revision of any pay scale or other terms and conditions of service under any scheme is not acceptable to any officer or other employee, the acquiring company may terminate his employment by giving him compensation equivalent to three months' remuneration, unless the contract of service with such employee provides for a shorter notice of termination.

*Explanation.*—The compensation payable to an officer or other employee under this sub-section shall be in addition to, and shall not effect, any pension, gratuity, provident fund or other benefit to which the employee may be entitled under his contract of service.

14 of 1947. (5) Notwithstanding anything contained in the Industrial Disputes Act, 1947 or in any other law for the time being in force, the transfer of the services of any officer or other employee of an Indian insurance company to the acquiring company shall not entitle any such officer or other employee to any compensation under that Act or other law, and no such claim shall be entertained by any court, tribunal or other authority.

(6) The Central Government may, by notification, add to, amend or vary any scheme framed under this section.

(7) The provisions of this section and of any scheme framed under it shall have effect notwithstanding anything to the contrary contained in any other law or any agreement, award or other instrument for the time being in force.

17. A copy of every scheme and every amendment thereto framed under section 16 shall be laid, as soon as may be after it is made, before each House of Parliament. Schemes to be laid before Parliament.

## CHAPTER VI

### FUNCTIONS OF CORPORATION AND ACQUIRING COMPANIES AND THEIR MANAGEMENT

18. (1) The functions of the Corporation shall include—

Functions of Corporation.

(a) the carrying on of any part of the general insurance business, if it thinks it desirable to do so;

(b) aiding, assisting and advising the acquiring companies in the matter of setting up of standards of conduct and sound practice in general insurance business and in the matter of rendering efficient service to holders of policies of general insurance;

(c) advising the acquiring companies in the matter of controlling their expenses including the payment of commission and other expenses;

(d) advising the acquiring companies in the matter of the investment of their funds;

(e) issuing directions to acquiring companies by way of guidance in relation to the conduct of general insurance business.

(2) In issuing any directions under sub-section (1), the Corporation shall keep in mind the desirability of encouraging competition amongst the acquiring companies as far as possible in order to render their services more efficient.

Functions of acquiring companies.

19. (1) Subject to the rules, if any, made by the Central Government in this behalf and to its memorandum and articles of association, it shall be the duty of every acquiring company to carry on general insurance business.

(2) Each acquiring company shall so exercise its powers under this Act as to secure that general insurance business is developed to the best advantage of the community.

(3) In the discharge of any of its functions, each acquiring company shall act so far as may be on business principles and where any directions have been issued by the Corporation, shall be guided by such directions.

(4) For the removal of doubts it is hereby declared that the Corporation and any acquiring company may, subject to the rules, if any, made by the Central Government in this behalf, enter into such contracts of reinsurance or reinsurance treaties as it may think fit for the protection of its interests.

Balance of profit how to be utilised.

20. (1) After making provision for bad and doubtful debts, depreciation in assets, provident, superannuation, welfare and other funds, debts due to Government and all other matters for which provision is necessary under any law or which are usually provided for by insurance companies, every acquiring company shall distribute the balance of profit as dividends.

(2) Any profit made by the Corporation and any sums received by the Corporation by way of dividends or otherwise shall be dealt with by it in such manner as may be prescribed.

Interim provisions for management of Indian insurance companies.

21. (1) Notwithstanding anything contained in the Companies Act or in the memorandum and articles of association of any Indian insurance company, on and from the appointed day and until a new board of directors of the Indian insurance company is duly constituted, the management of the company shall continue to vest in the Custodian in charge of the management of the undertaking of that company immediately before the appointed day by virtue of the provisions contained in the General Insurance (Emergency Provisions) Act, 1971, and the Custodian shall be entitled, subject to such directions as the Central Government may issue in this behalf, to exercise all the powers and do all acts and things as may be exercised or done by the company or by its board of directors. 17 of 1971.

(2) Nothing contained in sub-section (1) shall be deemed to prevent the Central Government from appointing any other person to take charge of the management of the undertaking of any Indian insurance company

during the period referred to in that sub-section if for any reason it becomes necessary so to do, and any person so appointed may exercise all the powers and do all acts and things which a Custodian may exercise or do under sub-section (1).

(3) The Custodian referred to in sub-section (1) and the person appointed under sub-section (2) shall be entitled to such salaries and other allowances as the Central Government may specify in this behalf and shall hold office during the pleasure of the Central Government.

## CHAPTER VII

### MISCELLANEOUS

22. (1) Except to the extent expressly provided in this Act, on and from the appointed day, the Corporation and the acquiring companies shall have the exclusive privilege of carrying on general insurance business in India.

Acquiring companies to have the exclusive privilege of carrying on general insurance business.

(2) Subject to the provisions of section 35, any certificate of registration granted under the Insurance Act to any insurer other than an insurer referred to in sub-section (1) shall, on and from the appointed day, cease to have effect.

23. (1) No person shall take out or renew any policy of insurance in respect of any property situated in India or any ship or other vessel or aircraft registered in India with an insurer whose principal place of business is outside India save with the prior permission of the Central Government.

Properties in India not to be insured with foreign insurer except with permission of Central Government.

(2) If any person contravenes any provision of sub-section (1), he shall be punishable with imprisonment for a term which may extend to one year, or with fine which may extend to one thousand rupees, or with both.

43 of 1961.

24. For the purposes of the Income-tax Act, 1961, every acquiring company shall be deemed to be an Indian company and a company in which the public are substantially interested.

Acquiring companies and income-tax.

25. An acquiring company may, having regard to its financial condition on the 13th day of May, 1971 or the financial condition on the said date of any existing insurer whose undertaking has been transferred to and vested in it under this Act reduce the amounts of insurance under contracts of general insurance entered into before the said date in such manner and subject to such conditions as it thinks fit:

Power to reduce amounts of insurance in certain cases.

Provided that no such reduction shall be made except in accordance with specific proposals made by the acquiring company in this behalf and approved by the Central Government.

26. (1) Where an existing insurer has at any time within three years before the 13th day of May, 1971—

Right of acquiring company to seek relief in respect of certain transactions.

(a) made any payment to any person without consideration.

(b) sold or disposed of any property of the insurer without consideration or for an inadequate consideration,

(c) acquired any property or rights for an excessive consideration.

(d) entered into or varied any agreement so as to require an excessive consideration to be paid or given by the insurer,

(e) entered into any other transaction of such an onerous nature as to cause a loss to, or impose a liability on, the insurer exceeding any benefit accruing to the insurer,

and the payment, sale, disposal, acquisition, agreement or variation thereof or other transaction was not reasonably necessary for the purpose of the general insurance business of the insurer or was made with an unreasonable lack of prudence on the part of the insurer, regard being had in either case to the circumstances at the time, the acquiring company may apply for relief to the court in respect of such transaction, and all parties to the transaction shall, unless the court otherwise directs, be made parties to the application.

(2) The court may make such order against any of the parties to the application as it thinks just having regard to the extent to which those parties were respectively responsible for the transaction or benefited from it and all the circumstances of the case.

(3) Where an application is made to the court under this section in respect of any transaction and the application is determined in favour of the acquiring company, the court shall have exclusive jurisdiction to determine any claim outstanding in respect of the transaction.

Repatria-  
tion of  
assets of  
foreign  
insurers

27. (1) Any foreign insurer may, within three months from the commencement of this Act, make an application to the Central Government stating that among the assets appertaining to the undertaking of the insurer in India, there are assets brought into India by the insurer for the purpose of building up his general insurance business in India or that there are any other assets in India belonging to the foreign insurer which, notwithstanding anything contained in section 5, should not be transferred to, and vested in, the Central Government or an Indian insurance company.

(2) On the receipt of an application made under sub-section (1), the Central Government shall, after giving to the foreign insurer an opportunity of being heard in the matter, by order, direct that such assets as it may specify in the order shall not be transferred to and vested in the Central Government or any Indian insurance company, or if the order is made after such transfer and vesting, that the Central Government or the acquiring company, as the case may be, shall be divested of the said assets.

(3) In the case of a foreign insurer the Central Government may also, by order, direct that any such liabilities in respect of general insurance policies expressed in any foreign currency as are specified in the order, together with any such assets necessary to meet the liabilities as may be so specified, shall not be transferred to and vested in the Central Government or any Indian insurance company, or if the order is made after such transfer and vesting, that the Central Government or the acquiring company, as the case may be, shall be divested of such liabilities and assets as aforesaid.

(4) The liabilities in respect of the policies referred to in an order made under sub-section (3) shall include the following, namely:—

(i) reserve for unexpired risks in respect of each policy in force on the appointed day, at such proportion of eighty per cent. of the

last premium or instalment of premium paid as the unexpired period in respect of which the premium or instalment of premium was paid bears to the total period thereof;

(ii) the amount of estimated liability in respect of outstanding claims, whether due or intimated on the appointed day;

(iii) all other liabilities existing on the appointed day, including all contingent liabilities which may reasonably be required to be met on or after the appointed day.

28. (1) Where any property appertaining to an existing insurer has been transferred to and vested in an Indian insurance company under section 5,—

Duty to deliver possession of property and documents relating thereto.

(a) every person in whose possession, custody or control any such property may be shall deliver the property to the Indian insurance company forthwith,

(b) any person who immediately before such vesting has in his possession, custody or control any books, documents or other papers relating to an existing insurer shall be liable to account for the said books, documents and papers to the Indian insurance company, and shall deliver them to that company or to such person as that company may direct.

(2) In particular, all the assets of an existing insurer appertaining to the undertaking held in deposit by the Reserve Bank of India under the Insurance Act or by trustees in trust shall be delivered to the Indian insurance company.

(3) Without prejudice to the other provisions contained in this section, it shall be lawful for each Indian insurance company to take all necessary steps for taking possession of all properties which have been transferred to and vested in it under this Act.

29. If any person wilfully withholds or fails to deliver to an Indian insurance company as required by section 28 any property or any books, documents or other papers which may be in his possession or unlawfully retains possession of any property of an existing insurer which has been transferred to and vested in an Indian insurance company under section 5 or wilfully applies any such property to purposes other than those expressed in or authorised by this Act, he shall, on the complaint of the Indian insurance company, be punishable with imprisonment for a term which may extend to one year, or with fine which may extend to one thousand rupees, or with both.

Penalty for withholding property, etc.

30. Every officer of the Corporation or of an acquiring company shall be deemed to be a public servant for the purposes of Chapter IX of the Indian Penal Code.

Officers of Corporation or of acquiring companies to be public servants.

45 of 1860.

31. Every officer of the Central Government and every officer or other employee of the Corporation and of any acquiring company shall be indemnified by the Central Government or the Corporation or the acquiring company, as the case may be, against all losses and expenses incurred by him in, or in relation to, the discharge of his duties under this Act except such as have been caused by his own wilful act or default.

Indemnity.

Dissolu-  
tion of  
Corpora-  
tion and  
acquiring  
companies.

32. No provision of law relating to the winding up of corporations shall apply to the Corporation or to an acquiring company, and neither the Corporation nor any such company shall be placed in liquidation save by order of the Central Government and in such manner as it may direct.

Reference  
to existing  
insurer in  
other laws.

33. Any reference to an existing insurer in any law other than this Act or any contract or other instrument shall, in so far as it relates to an acquiring company, be construed as a reference to that company.

Applica-  
tion of  
Insurance  
Act.

34. (1) Subject to the provisions contained in sub-section (2), the following sections of the Insurance Act shall alone, so far as may be, apply to or in relation to the Corporation and every acquiring company as if the Corporation or the company, as the case may be, were an insurer carrying on general insurance business within the meaning of that Act:—

Sections 2, 2B, 3, 3A, 41, 46 and 64VB.

(2) The Central Government may, by notification, direct that any other provision of the Insurance Act shall also apply to or in relation to the Corporation or the acquiring company subject to such exceptions, conditions and modifications as may be specified in the notification.

Exemption

35. (1) Nothing contained in this Act shall apply in relation to—

(a) any general insurance business carried on by a State Government, to the extent to which such insurance relates to properties belonging to it or undertakings owned wholly or mainly by the State Government;

(b) any general insurance business not falling within clause (a) which has been carried on by a State Government before the 14th day of May, 1971, to the extent to which it is necessary to allow such business to run off:

Provided that nothing contained in this clause shall be deemed to authorise the State Government to issue any new policies or renew any existing policies;

(c) any insurer whose business is being voluntarily wound up or is being wound up by a court;

(d) the insurance business carried on by the Calcutta Hospital and Nursing Home Benefit Association Limited;

(e) the insurance business carried on by the Export Guarantee Corporation and the Deposit Insurance Scheme;

(f) any scheme in existence immediately before the 14th day of May, 1971 or any scheme framed after the said day with the approval of the Central Government for the insurance of crops or of cattle or of flood risks or of war or emergency risks.

(2) If the Central Government is satisfied that an insurer, whether established before or after the appointed day, carries on only such general insurance business as is not carried on ordinarily by insurers, it may, by notification, direct that nothing contained in this section shall apply to such insurer in which case the Insurance Act shall apply and continue to apply to such insurer.

Vacancies,  
etc., not to  
invalidate  
proceed-  
ings.

36. No act or proceeding of the Corporation or of an acquiring company shall be called in question merely on the ground of the existence of any vacancy in, or defect in the constitution of, the Corporation or the company.

Protection  
of action  
taken in  
good  
faith.

37. No suit, prosecution or other legal proceeding shall lie against any officer of the Central Government or officer or other employee of the Corporation or of the acquiring company for anything which is in good faith done or intended to be done under this Act.

Power to  
make  
rules.

38. (1) The Central Government may, by notification, make rules to carry out the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, rules made under this section may provide for—

(a) the period within which and the manner in which any loans advanced to the Corporation by the Central Government shall be repaid by it;

(b) the manner in which the profits, if any, and other moneys received by the Corporation may be dealt with;

(c) the conditions, if any, subject to which the Corporation and the acquiring companies shall carry on general insurance business;

(d) the terms and conditions subject to which any reinsurance contracts or treaties may be entered into;

(e) the form and manner in which any notice or application may be given or made to the Central Government;

(f) the reports which may be called for by the Central Government from the Corporation and the acquiring companies;

(g) any other matter which is required to be, or may be, prescribed.

(3) Every rule made under this section and every notification issued under section 34 shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or notification or both Houses agree that the rule or notification should not be made, the rule or notification shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or notification.

## THE SCHEDULE

(See section 11)

## AMOUNTS TO BE PAID

## Part A

Serial Number	Name of Indian insurance company	Amount to be paid	
(1)	(2)	(3)	
		Rs.	
1	All India General Insurance Company Ltd . . . . .	10,00,000	
2	Anand Insurance Company Ltd. . . . . Preference shares.	13,50,000	
		Equity shares.	2,00,000
3	Bhabha Marine Insurance Company Ltd. . . . .	12,764	
4	Bharat General Reinsurance Ltd. . . . . Preference shares.	8,18,000	
		Ordinary shares.	12,63,558
5	British India General Insurance Company Ltd. . . . .	37,50,000	
6	Calcutta Insurance Limited . . . . .	7,30,450	
7	Central Mercantile Assurance Company Ltd. . . . .	3,38,499	
8	Clive Insurance Company Ltd. . . . .	20,62,500	
9	Common Wealth Assurance Company Limited . . . . .	1,000	
10	Concord of India Insurance Company Ltd. . . . .	22,27,500	
11	Devkaran Nanjee Insurance Company Ltd. . . . .	16,80,000	
12	General Assurance Society Ltd. . . . .	8,06,000	
13	Hercules Insurance Company Ltd. . . . .	87,48,000	
14	Hindusthan General Insurance Society Ltd. . . . .	15,52,500	
15	Hindusthan Ideal Insurance Company Ltd. . . . .	25,20,605	
16	Howrah Insurance Company Ltd. . . . .	975	
17	Hukumchand Insurance Company Ltd. . . . .	10,00,000	
18	India Reinsurance Corporation Ltd. . . . .	1,42,50,000	
19	Indian Guarantee & General Insurance Company Ltd. . . . .	1,03,02,000	
20	Indian Mercantile Insurance Company Ltd. . . . .	47,67,854	
21	Indian Merchants' Marine Insurance Company Ltd. . . . .	2,28,753	
22	Indian Ocean Insurance Company Ltd. . . . .	1,00,000	
23	Indian Trade & General Insurance Company Ltd. . . . .	34,26,000	
24	Jalanath Insurance Ltd. . . . .	10,00,000	
25	Jupiter General Insurance Company Ltd. . . . .	26,24,445	
26	Kalyan Marine Insurance Company Ltd. . . . .	90,700	
27	Liberty Insurance Company Ltd. . . . .	1,000	
28	Madras Motor & General Insurance Company Ltd. . . . .	1,44,90,000	
29	Madura Insurance Company Ltd. . . . . Preference shares	7,000	
		Ordinary shares.	15,83,900
		Deferred to shares.	12,500
30	Marine & General Insurance Company Ltd. . . . .	5,00,000	
31	Mother India Fire & General Insurance Company Ltd. . . . .	5,00,000	



Serial Number	Name of Indian insurance company	Amount to be paid
(1)	(2)	(3)
		Rs.
32	Motor Owners' Insurance Company Ltd. . . . .	1,65,575
33	Naranji Bhanabhai & Company Ltd. . . . .	49,200
34	Narhari Marine Insurance Company Ltd. . . . .	1,00,000
35	National Insurance Company Ltd. . . . .	35,00,000
36	Neptune Assurance Company Ltd. . . . .	10,00,000
37	New Great Insurance Company of India Ltd. . . . .	43,50,000
38	New India Assurance Company Ltd. . . . .	8,20,37,678
39	New Merchants Insurance Company Ltd. . . . .	65,828
40	New Premier Insurance Company Ltd. . . . .	999
41	Northern India General Insurance Company Ltd. . . . .	998
42	Oriental Fire & General Insurance Company Ltd. . . . .	1,65,00,000
43	Pandyan Insurance Company Ltd. . . . .	90,00,000
44	Pioneer Fire & General Insurance Company Ltd. . . . .	11,82,610
45	Porbandar Insurance Company Ltd. . . . .	59,194
46	Prachi Insurance Company Ltd. . . . .	21,375
47	Ruby General Insurance Company Ltd. . . . .	80,22,000
48	Shree Mahasagar Vima Company Ltd. . . . .	1,18,252
49	South India Insurance Company Ltd. . . . .	54,00,000
50	Sterling General Insurance Company Ltd. . . . .	Preference shares Ordinary shares
		23,000
51	Triton Insurance Company Ltd. . . . .	16,08,139
52	United India Fire & General Insurance Company Ltd. . . . .	29,32,500
53	Universal Fire & General Insurance Company Ltd. . . . .	16,66,660
54	Vanguard Insurance Company Ltd. . . . .	16,44,675
55	Vulcan Insurance Company Ltd. . . . .	896
		32,49,617

**PART B**

Serial Number	Name of Insurance	Amount to be paid
(1)	(3)	(3)
1	Co-operativet Fire & General Insurance Society Ltd. . . . .	3,95,000
2	Co-operative General Insurance Society Ltd.. . . .	5,63,000
3	Indian Mutual General Insurance Society Ltd. . . . .	1,000
4	Life Insurance Corporation of India . . . . .	2,81,34,000
5	Millowners' Mutual Insurance Association Ltd. . . . .	2,15,000
6	Orissa Co-operative Insurance Society Ltd. . . . .	2,42,000
7	Reinsurance Association of India (International) Ltd. . . . .	1,000
8	Union Co-operative Insurance Society Ltd. . . . .	16,15,000
9	Alliance Assurance Company Ltd. . . . .	36,65,000
10	American Insurance Company . . . . .	3,30,000
11	Atlas Assurance Company Ltd. . . . .	64,85,000
12	Baloise Insurance Company Limited . . . . .	22,67,000
13	British Aviation Insurance Company Ltd. . . . .	1,000
14	Caledonian Insurance Company . . . . .	81,000

Serial Number	Name of insurer	Amount to be paid
(1)	(2)	(3)
		Rs.
15	Century Insurance Company Ltd. . . . .	6,04,000
16	Commercial Union Assurance Company Ltd. . . . .	85,20,000
17	Eagle Star Insurance Company Ltd. . . . .	37,12,000
18	Gerling Global Reinsurance Company Ltd. . . . .	1,000
19	Great American Insurance Company . . . . .	3,81,000
20	Guardian Assurance Company Ltd. . . . .	19,98,000
21	Hanover Insurance Company . . . . .	42,13,000
22	Hartford Fire Insurance Company . . . . .	2,96,000
23	Home Insurance Company . . . . .	3,73,000
24	Legal & General Assurance Society Ltd. . . . .	5,28,000
25	Liverpool and London and Globe Insurance Company Ltd. . . . .	8,23,000
26	London Assurance . . . . .	12,30,000
27	London Guarantee & Accident Company Ltd. . . . .	40,000
28	London & Lancashire Insurance Company Ltd. . . . .	47,70,000
29	L'Union Fire, Accident and General Insurance Com- pany Ltd. . . . .	1,000
30	National Employers' Mutual General Insurance Asso- ciation Ltd. . . . .	3,17,000
31	National Insurance Company of New Zealand Ltd. . . . .	1,000
32	New Hampshire Insurance Company . . . . .	19,08,000
33	New Zealand Insurance Company Ltd. . . . .	10,84,000
34	Norwich Union Fire Insurance Society Ltd. . . . .	31,34,000
35	Phoenix Assurance Company Ltd. . . . .	2,63,000
36	Provincial Insurance Company Ltd. . . . .	1,000
37	Queensland Insurance Company Ltd. . . . .	10,31,000
38	Royal Exchange Assurance . . . . .	49,62,000
39	Royal Insurance Company Ltd. . . . .	73,28,000
40	Scottish Union & National Insurance Company Ltd. . . . .	43,15,000
41	Skandia Insurance Company Ltd. . . . .	1,000
42	South British Insurance Company Ltd. . . . .	18,42,000
43	Sun Insurance Office Ltd. . . . .	25,86,000
44	Switzerland General Insurance Company Ltd. . . . .	6,35,000
45	Threadneedle Insurance Company Ltd. . . . .	1,000
46	Tokio Marine & Fire Insurance Company Ltd. . . . .	92,000
47	Union Insurance Society of Canton Ltd. . . . .	5,89,000
48	United Scottish Insurance Company Ltd. . . . .	83,000
49	Welfare Insurance Company Ltd. . . . .	1,000
50	Western Assurance Company . . . . .	13,92,000
51	Yorkshire Insurance Company Ltd. . . . .	16,31,000
52	Zurich Insurance Company Ltd. . . . .	1,000

## STATEMENT OF OBJECTS AND REASONS

By the General Insurance (Emergency Provisions) Ordinance, 1971, which was later replaced by an Act of Parliament, the management of the undertakings of all insurers carrying on general insurance business was vested in the Central Government, pending nationalisation.

The object of the present Bill is to complete the process of nationalisation which is sought to be effected in the following manner. On a day, to be appointed by the Central Government, the shares in insurance companies carrying on general insurance business, which are incorporated in India and having a share capital, would automatically stand transferred to, and vested in, the Central Government. A few shares, however, would thereafter be formally transferred to the nominees of the Central Government in order to enable each of the Indian insurance companies to function as a Government company. On the appointed day, the undertakings of all other insurers, including foreign insurers, and the LIC in so far as it relates to the general insurance business carried on by it, would also stand transferred to, and vested in, such one or other of the Indian insurance companies as the Central Government may specify.

It is also proposed to form under the Companies Act, 1956, a Government company, to be called the General Insurance Corporation of India, which will be entrusted with the task of supervising, controlling and carrying on the business of general insurance. On the formation of the Corporation, the shares of the Indian insurance companies, vested in the Central Government would stand automatically transferred to the Corporation and all the Indian insurance companies would become the subsidiaries of the Corporation.

The Bill further provides for the framing of one or more schemes whereby the Indian insurance companies would so get merged in one another that ultimately there will be only four Indian companies, so situated as to promote competition between them so that effective services in the field of general insurance may be rendered by them in all parts of India.

NEW DELHI;  
*The 26th May, 1972.*

Y. B. CHAVAN.

## FINANCIAL MEMORANDUM

Clause 9 of the Bill requires the Central Government to form a Government company to be known as the General Insurance Corporation of India for the purpose of superintending, controlling and carrying on the business of general insurance, with an authorised capital of Rs. 75 crores out of which Rs. 5 crores shall be the subscribed capital of the Corporation. Non-recurring expenditure on this account to the extent of Rs. 5 crores is therefore likely to be involved during the financial year 1972-73.

Clause 11 provides for payment by the Central Government to each shareholder of every Indian insurance company and to the insurer himself where he is not an Indian insurance company, the amounts specified in the Schedule to the Act. Clause 13 provides that the amount to be paid to the Life Insurance Corporation of India and the amounts to be paid to those members of Indian insurance companies the payment to whom exceeds Rs. 25,000 shall be paid in three annual instalments, the first of which shall fall due on the appointed day and each instalment shall carry interest at the rate of 4 per cent, per annum from the appointed day. The total amount payable by the Central Government under this clause amounts to Rs. 33,03,31,399 which will have to be paid in three instalments from the appointed day; the amount payable in the first year is estimated to be Rs. 23,63,62,300. It is estimated that the interest payments in terms of the provision in clause 13 will amount to about Rs. 19 lakhs during 1973-74 and Rs. 38 lakhs during 1974-75. After the year 1974-75 no expenditure on this account is involved.

Clause 16 of the Bill empowers the Central Government to include, in the schemes which will be framed, provision for the rationalisation or revision of pay scales and other terms and conditions of service of officers and other employees wherever necessary. It will be necessary under these powers to integrate and rationalise the emoluments and other service conditions of all employees in all the insurance companies. For this purpose Government has already set up an Expert Committee which has started functioning from 1st May, 1972. The annual recurring cost on this Committee is estimated at Rs. 7.30 lakhs. However, since the full complement of staff for the Committee will be in position only gradually, it is estimated that the cost during 1972-73 will be Rs. 5.00 lakhs. The Committee is expected to function till the end of the year 1973-74 and no expenditure on the Committee is expected thereafter. In the beginning a non-recurring expenditure estimated at Rs. 0.83 lakhs would also be incurred on the Committee the whole of which will be incurred during 1972-73 itself.

The total recurring expenditure on account of pay, allowances and other expenses, in case the Bill is passed into law, will therefore be Rs. 7.30 lakhs per year and the total non-recurring expenditure on account of subscribed capital of the General Insurance Corporation of India, amounts specified in the Schedule to the Bill, etc., will be Rs. 3804.14 lakhs.

---

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 16 of the Bill empowers the Central Government to frame one or more schemes for the merger of one Indian insurance company with another or for the amalgamation of two or more Indian insurance companies and for matters consequential to such merger or amalgamation, as the case may be. Every such scheme is required to be laid before each House of Parliament.

Clause 38 of the Bill empowers the Central Government to make rules to carry out the provisions of the Act.

The matters in relation to which such scheme or rules may be made are matters of procedure or detail and it is not practicable to provide for them in the Bill itself. The delegation of the legislative power is, therefore, of a normal character.

## BILL NO. 61 OF 1972

*A Bill further to amend the Aligarh Muslim University Act, 1920*

Be it enacted by Parliament in the Twenty-third Year of the Republic of India as follows:—

Short title  
and com-  
mence-  
ment.

1. (1) This Act may be called the Aligarh Muslim University (Amendment) Act, 1972.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Substitu-  
tion of  
new sec-  
tion for  
section 2.

2. For section 2 of the Aligarh Muslim University Act, 1920 (hereinafter referred to as the principal Act), the following section shall be substituted, namely:—

14 of 1920.

Definitions.

'2. In this Act and in all Statutes made hereunder, unless the context otherwise requires,—

(a) "Academic Council" means the Academic Council of the University;

(b) "Board of Studies" means the Board of Studies of the University;

(c) "Court" means the Court of the University;

(d) "Department" means a Department of Studies and includes a Centre of Studies established by the Ordinances;

(e) "Executive Council" means the Executive Council of the University;

(f) "Faculty" means a Faculty of the University;

(g) "hall" means a unit of residence or of corporate life maintained by the University for its students;

(h) "Statutes", "Ordinances" and "Regulations" mean respectively, the Statutes, Ordinances and Regulations of the University for the time being in force;

(i) "Students' Council" means the Students' Council of the University;

(j) "teachers" means professors, readers, lecturers and such other persons as may be appointed for imparting instruction in the University or a hall and are designated as teachers by the Ordinances;

(k) "University" means the Aligarh Muslim University.'

3. For section 3 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 3.

"3. The Chancellor and the Vice-Chancellor and the members of the Court, the Executive Council and the Academic Council, for the time being, shall be a body corporate by the name of the Aligarh Muslim University and shall have perpetual succession and a common seal and shall sue and be sued by that name."

Incorporation.

4. In section 5 of the principal Act,—

Amendment of section 5.

(i) in clause (1), after the words "provide for instruction", the words "whether through the method of correspondence courses or any other method" shall be inserted;

(ii) clause (2) shall be re-lettered as sub-clause (a) thereof and after sub-clause (a) as so re-lettered, the following sub-clause shall be inserted, namely:—

"(b) to promote the study of the religions, civilisation and culture of India.";

(iii) for clause (3), the following clause shall be substituted, namely:—

"(3) to hold examinations and to grant diplomas or certificates to, and confer degrees and other academic distinctions on,

persons subject to such conditions as the University may determine and to withdraw any such diplomas, certificates, degrees or other academic distinctions for good and sufficient cause;”;

(iv) for clause (5), the following clause shall be substituted, namely:—

“(5) to provide instruction for such persons who are not members of the University, as the University may determine;”;

(v) in clause (6), after the word “co-operate”, the words “or collaborate” shall be inserted;

(vi) in clause (7), for the words “teaching posts”, the words “teaching or academic posts” shall be substituted;

(vii) after clause (7), the following clause shall be inserted, namely:—

“(7A) to appoint persons working in any other University, institution or organisation as teachers of the University;”  
specified period;”;

(viii) in clause (9), after the words “the University,,,” the words “and to withdraw any recognition accorded to such places of residence as are located beyond a radius of twenty-five kilometres of the University Mosque” shall be inserted;

(ix) after clause (9), the following clause shall be inserted, namely:—

“(9A) to establish within a radius of twenty-five kilometres of the University Mosque such Special Centres, Specialised Laboratories or other units for research and instruction as are, in the opinion of the University, necessary for the furtherance of its objects;”;

(x) in clause (11B), the word “necessary”, and the word “and” occurring at the end, shall be omitted;

(xi) after clause (11B), the following clauses shall be inserted, namely:—

“(11C) to regulate and enforce discipline among the employees of the University and to take such disciplinary measures as may be deemed necessary;

(11D) to acquire, hold, manage and dispose of property, movable or immovable, including trust or endowed property for the purposes of the University;

(11E) to borrow, with the approval of the Central Government, on the security of the property of the University, money for the purposes of the University;



(11F) to declare a Department of Studies to be an autonomous Department; and”.

5. In section 8 of the principal Act, after the words “by the University”, the words, brackets and figures “before the commencement of the Aligarh Muslim University (Amendment) Act, 1972,” shall be inserted. Amendment of section 8.

6. In section 10 of the principal Act, after the word “hall”, the words “or a hostel” shall be inserted. Amendment of section 10.

7. In section 11 of the principal Act, for the portion beginning with the words “in the name of the University” and ending with the words “in the field”, the words “under the supervision of the Academic Council and in accordance with the Statutes and Ordinances” shall be substituted. Amendment of section 11.

8. In sub-section (2) of section 12 of the principal Act, for the words and figure “establish and maintain within the aforementioned limits any other institution whose objects fall within the powers of the University as described in section 5”, the words “establish and maintain such Special Centres, Specialised Laboratories or such other institutions for research or instruction as are necessary for the furtherance of its objects either on its own or in co-operation or collaboration with any other institution”, shall be substituted. Amendment of section 12.

9. Section 12A of the principal Act shall be omitted.

Omission of section 12A.

10. In section 13 of the principal Act,—

Amendment of section 13.

(i) in sub-section (2), after the words “any matter connected with”, the words “the administration or finances of” shall be inserted;

(ii) for sub-section (2A), the following sub-sections shall be substituted, namely:—

“(2A) The Visitor shall, in every case, give notice to the University of his intention to cause an inspection or inquiry to be made and on receipt of such notice, the University shall have the right to make such representation to the Visitor as it may consider necessary.

(2B) After considering the representation, if any, made by the University, the Visitor may cause to be made such inspection or inquiry as is referred to in sub-section (2).

(2C) Where any inspection or inquiry has been caused to be made by the Visitor, the University shall be entitled to appoint a representative who shall have the right to be present and be heard at such inspection or inquiry.”;

(iii) after sub-section (6), the following sub-section shall be inserted, namely:—

“(7) The Visitor shall have such other powers as may be prescribed by the Statutes.”.

Substitution of new section for section 15.

11. For section 15 of the principal Act, and the heading to that section, the following heading and sub-section shall be substituted, namely:—

*“Chief Rector*

Chief Rector.

15. The Governor of the State of Uttar Pradesh shall be Chief Rector of the University.”

Amendment of section 16.

12. In section 16 of the principal Act,—

(i) clause (2) shall be omitted;

(ii) for clauses (3B) and (3C), the following clauses shall be substituted, namely:—

“(3B) The Registrar;

(3C) The Finance Officer;”.

Substitution of new section for section 17. The Chancellor.

13. For section 17 of the principal Act, the following section shall be substituted, namely:—

“17. (1) The Chancellor of the University shall be appointed by the Visitor in such manner as may be prescribed by the Statutes.

(2) The Chancellor shall, by virtue of his office, be the Head of the University.

(3) The Chancellor shall, if present, preside at the convocations of the University held for conferring degrees.”.

Omission of section 18.

14 Section 18 of the principal Act shall be omitted.

Substitution of new section for section 19.

15. For section 19 of the principal Act, the following section shall be substituted, namely:—

The Vice-Chancellor.

“19. (1) The Vice-Chancellor shall be appointed by the Visitor in such manner as may be prescribed by the Statutes.

(2) The Vice-Chancellor shall be the principal executive and academic officer of the University, and shall exercise general supervision and control over the affairs of the University and give effect to the decisions of all the authorities of the University.

(3) The Vice-Chancellor may, if he is of opinion that immediate action is necessary on any matter, exercise any power conferred on any authority of the University by or under this Act and shall report to such authority the action taken by him on such matter:

Provided that if the authority concerned is of opinion that such action ought not to have been taken, it may refer the matter to the Visitor whose decision thereon shall be final:

Provided further that any person in the service of the University who is aggrieved by the action taken by the Vice-Chancellor under this sub-section shall have the right to appeal against such action to the Executive Council within fifteen days from the date on which decision on such action is communicated to him and thereupon the Executive Council may confirm, modify or reverse the action taken by the Vice-Chancellor.

(4) The Vice-Chancellor shall exercise such other powers and perform such other functions as may be prescribed by the Statutes or Ordinances.”.

16. After section 19 of the principal Act, as substituted by this Act, the following sections shall be inserted, namely:—

Insertion  
of new  
sections  
20, 20A  
and 20B.

“20. The Pro-Vice-Chancellor shall be appointed in such manner, and shall exercise such powers and perform such duties as may be prescribed by the Statutes.

The Pro-  
Vice-  
Chancel-  
lor.

20A. (1) The Registrar shall be appointed in such manner as may be prescribed by the Statutes.

The Regis-  
trar.

(2) The Registrar shall have the power to enter into agreements, sign documents and authenticate records on behalf of the University and shall exercise such other powers and perform such other duties as may be prescribed by the Statutes.

20B. The Finance Officer shall be appointed in such manner and shall exercise such powers and perform such duties as may be prescribed by the Statutes.”.

The  
Finance  
Officer.

17. For section 21 of the principal Act, the following section shall be substituted, namely:—

Substi-  
tution of  
new sec-  
tion for  
section 21.

“21. The powers of officers other than the Chancellor, the Vice-Chancellor, the Pro-Vice-Chancellor, the Registrar and the Finance Officer shall be prescribed by the Statutes.”.

Powers of  
other  
officers.

18. In section 22 of the principal Act,—

(i) clause (3A) shall be omitted;

(ii) in clause (3B), the word “and” shall be omitted;

(iii) after clause (3B), the following clause shall be inserted, namely:—

“(3C) The Students’ Council; and”.

Amend-  
ment of  
section 22.

19. For section 23 of the principal Act, the following section shall be substituted, namely:—

Substi-  
tution of  
new sec-  
tion for  
section 23.

“23. (1) The constitution of the Court and the term of office of its members shall be such as may be prescribed by the Statutes.

The  
Court.

(2) Subject to the provisions of this Act, the Court shall have the following powers and functions, namely:—

(a) to review from time to time, the broad policies and programmes of the University and to suggest measures for the improvement and development of the University;

(b) to consider and pass resolutions on the annual report, annual accounts of the University and the audit report thereon; and

(c) to advise the Visitor in respect of any matter which may be referred to it for advice;

(d) to perform such other functions as may be prescribed by the Statutes.”.

Amend-  
ment of  
section 24.

20. In section 24 of the principal Act, for the words “the executive body”, the words “the principal executive body” shall be substituted.

Amend-  
ment of  
section 25.

21. In sub-section (1) of section 25 of the principal Act,—

(i) for the words “the academic body”, the words “the principal academic body” shall be substituted;

(ii) for the portion beginning with the words “have the control” and ending with the brackets and words “(other than honorary)”, the words “co-ordinate and exercise general supervision over the academic policies of the University” shall be substituted.

Amend-  
ment of  
section 26.

22. In section 26 of the principal Act, for the words “and duties of the Finance Committee and the Faculties”, the words “and functions of the Faculties and of the Students’ Council” shall be substituted.

Substi-  
tution of  
new sec-  
tion for  
section 27.

23. For section 27 of the principal Act, the following section shall be substituted, namely:—

Power to  
make Sta-  
tutes.

“27. Subject to the provisions of this Act, the Statutes may provide for all or any of the following matters, namely:—

(a) the constitution, powers and functions of the authorities of the University, the Finance Committee and such other authorities as may be constituted from time to time;

(b) the election and continuance in office of the members of the said authorities, the filling of vacancies of members, and all other matters relative to those authorities for which it may be necessary or desirable to provide;

(c) the manner of appointment of the Chancellor, Vice-Chancellor, and other officers of the University;

(d) the manner of appointment of teachers and their emoluments;

(e) the manner of appointment of employees other than teachers and academic staff of the University and their emoluments;

(f) the manner of appointment of teachers and other academic staff working in any other University or institution for a specified period for undertaking a joint project;

(g) the conditions of service of employees including the provision for pension, insurance and provident fund, the manner of termination of service and disciplinary action;

(h) the principles governing seniority of service of employees;

(i) the procedure for arbitration in cases of dispute between employees or students and the University;

(j) the procedure for appeal to the Executive Council by any employee or student against the action of any officer or authority of the University;

(k) the establishment and recognition of Students Union or associations of teachers, academic staff or other employees of the University;

(l) all other matters which by this Act are to be, or may be, provided by the Statutes."

24. For section 28 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 28.

"28. (1) On and from the commencement of the Aligarh Muslim University (Amendment) Act, 1972, the Statutes, as set out in the Schedule, shall be the Statutes of the University:

(2) After the commencement of the Aligarh Muslim University (Amendment) Act, 1972, the Executive Council may, notwithstanding anything contained in sub-section (1), make new or additional Statutes or may amend or repeal the Statutes referred to in sub-section (1):

Provided that the Executive Council shall not make, amend or repeal any Statute affecting the status, powers or constitution of any authority of the University until such authority of the University has been given an opportunity of expressing the opinion on the proposed changes which shall be in writing and shall be considered by the Executive Council.

(3) Every new Statute or addition to the Statutes or any amendment or repeal of a Statute shall require the previous approval of the Visitor who may sanction or disallow it or return it to the Executive Council for further consideration."

25. In section 29 of the principal Act,—

(a) in sub-section (1),—

(i) for clause (g), the following clause shall be substituted, namely:—

"(g) the remuneration to be paid to the examiner, moderator, invigilator and tabulator;"

Amendment of section 29.

(ii) in clause (k), for the words "teachers of the University", the words "the academic and other staff of the University" shall be substituted;

(iii) for clauses (m) and (n), the following clauses shall be substituted, namely:—

"(m) the establishment of Centres of Study, Boards of Study, Inter-Disciplinary Committees, Special Centres, Specialised Laboratories, Committees on Advanced Study and Research, Committees of Department and Centres, Admission Committees, Examination Committee, Boards of Residence and Halls, Discipline Committee and Students' Advisory Committees;

(n) the manner of co-operation and collaboration with other Universities and authorities including moderating bodies or associations;

(o) the creation, composition and functions of any other body which is considered necessary for meeting the academic life of the University;

(p) such other terms and conditions of teachers as are not prescribed by the Statutes; and

(q) all other matters which by this Act or the Statutes may be provided for by the Ordinance.";

(b) for sub-section (2), the following sub-section shall be substituted, namely:—

"(2) The Ordinances in force immediately before the commencement of the Aligarh Muslim University (Amendment) Act, 1972, may be amended, repealed or added to at any time by the Executive Council, provided that—

(i) in making the Ordinances in respect of the matters enumerated in sub-section (1) other than those enumerated in clauses (k) and (o), the Executive Council shall act on the recommendation of the Academic Council;

(ii) before proposing the draft of the Ordinance in respect of the constitution of the Students' Advisory Committee and in respect of matters contained in clauses (a), (e), (i) and (q) of sub-section (1), the Academic Council shall consult the Students' Council.";

(c) for sub-sections (4), (5) and (6), the following sub-sections shall be substituted, namely:—

"(4) Where the Executive Council has rejected or returned the draft of an Ordinance proposed by the Academic Council, the Academic Council may consider the question afresh and in case the original draft is re-affirmed by a majority of not less than two-thirds of the members present and voting and more than the total number of members of the Academic Council, the draft may be sent back to the Executive Council which shall either adopt it or refer it to the Visitor whose decision shall be final.

(5) Every Ordinance made by the Executive Council shall come into effect immediately.

(6) Every Ordinance made by the Executive Council shall be submitted to the Visitor within two weeks. The Visitor shall have the power to direct the University within four weeks of the receipt of the Ordinance to suspend the operation of any such Ordinance and he shall, as soon as possible inform the Executive Council about his objection to the proposed Ordinance. The Visitor may, after receiving the comments of the University, either withdraw the order suspending the Ordinance or disallow the Ordinance, and his decision shall be final.”.

26. For section 34 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 34.

“34. (1) The Annual Report of the University shall be prepared under the direction of the Executive Council and shall be submitted to the Court on or after such date as may be prescribed by the Statutes and the Court shall consider the Report in its annual meeting.

Annual Reports.

(2) The Court shall submit the Annual Report to the Visitor and also to the Chancellor along with its comments, if any.”.

27. In section 35 of the principal Act,—

(i) in sub-section (2), for the words “submitted to the Visitor”, the words “submitted to the Court, the Visitor and the Chancellor along with the observations of the Executive Council” shall be substituted;

Amendment of section 35.

(ii) after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) Any observations made by the Visitor on the annual accounts shall be brought to the notice of the Court and of the Chancellor and the observations of the Court, if any, shall, after being considered by the Executive Council, be submitted to the Visitor.”.

28. In section 36 of the principal Act,—

(i) in sub-section (1),—

(a) for the words “salaried officer and teacher”, the word “employee” shall be substituted;

(b) for the words “officer or teacher”, the word “employee” shall be substituted;

(ii) in sub-section (2), for the words “officer or teacher” together with its grammatical variation, wherever they occur, the word “employee” shall be substituted.

Amendment of section 36.

29. After section 36 of the principal Act, the following sections shall be inserted, namely:—

Insertion of new sections 36A and 36B.

“36A. (1) Any student or candidate for an examination whose name has been removed from the rolls of the University by the orders or resolution of the Vice-Chancellor, Committee of Discipline or Committee of Examinations, as the case may be, and who has been debarred from appearing at the examinations of the University for more than a year, may, within ten days of the date of receipt of such order or copy of such resolution by him, appeal to the Executive Council and the Executive Council shall either confirm, modify or

Procedure of appeal and arbitration in disciplinary cases against students.

reverse the decision of the Vice-Chancellor or the Committee, as the case may be.

(2) Any dispute arising out of any disciplinary action taken by the University against a student shall at the request of such student, be referred to a Tribunal of Arbitration and the provisions of sub-section (2) of section 36 shall, as far as may be, apply to the reference made under this sub-section.

Right to  
appeal.

36B. Every employee or student of the University shall, notwithstanding anything contained in this Act, have a right to appeal, within such time as may be prescribed by the Statutes, to the Executive Council against the decision of any officer or authority of the University and thereupon the Executive Council may confirm, modify or reverse the decision appealed against.”.

Amend-  
ment of  
section  
38.

30. In sub-section (2) of section 38 of the principal Act, the words, brackets and figures “Subject to the provisions of sub-section (3) of section 18” shall be omitted.

Insertion  
of  
new  
sections  
40 and  
41.

31. After section 39 of the principal Act, the following sections shall be inserted, namely:—

Protec-  
tion of  
action  
taken  
in good  
faith.

“40. No suit or other legal proceeding shall lie against any officer or employee of the University for anything which is in good faith done or intended to be done in pursuance of the provisions of this Act, Statutes or Ordinances.

Mode of  
proof of  
University  
record.

41. A copy of any receipt, application, notice, order, proceeding, resolution of any authority or Committee of the University or other documents in possession of the University or any entry in any register duly maintained by the University, if certified by the Registrar, shall be received as *prima facie* evidence of such receipt, application, notice, order, proceeding or resolution, document or the existence of entry in the register and shall be admitted as evidence of the matters and transactions therein where the original thereof would, if produced, have been admissible in evidence, notwithstanding anything contained in the Indian Evidence Act, 1872 or in any other law for the time being in force.” 1 of 1872.

Substitu-  
tion of  
the Sched-  
ule.

32. For the Schedule to the principal Act, the following Schedule shall be substituted, namely:—

#### “THE SCHEDULE

*The Statutes of the University*

[See section 28(1)]

The  
Chancel-  
lor.

1. (1) The Chancellor shall be appointed by the Visitor from a panel of not less than three persons recommended by the Executive Council:

Provided that if the Visitor does not approve of the persons so recommended, he may call for fresh recommendations from the Executive Council.

(2) The Chancellor shall hold office for a term of five years and shall be eligible for re-appointment.



2. (1) The Vice-Chancellor shall be appointed by the Visitor from a panel of not less than three persons selected by a Committee as constituted under clause (2) and the panel shall be prepared in the alphabetical order and will not indicate any order of preference: The Vice-Chancellor.

(2) The Committee referred to in clause (1) shall consist of three persons, none of whom are employees of the University or members of the Court, Executive Council or Academic Council. Out of the three persons, two shall be nominated by the Executive Council and one by the Visitor and the Visitor shall appoint one of the three persons so nominated to be the Chairman of the Committee:

Provided that if the Visitor does not approve of any of the persons nominated by the Executive Council, he may call for fresh nominations.

(3) The Vice-Chancellor shall be a whole-time salaried officer of the University.

(4) The Vice-Chancellor shall hold office for a term of five years from the date on which he enters upon his office and shall be eligible for re-appointment for another term:

Provided that notwithstanding the expiry of the said period of five years, he shall continue in office until his successor is appointed and enters upon his office:

Provided further that the Visitor may direct that a Vice-Chancellor, whose term of office has expired, shall continue in office for such period, not exceeding a total period of one year, as may be specified in the direction.

(5) Notwithstanding anything contained in clause (4), a person appointed as Vice-Chancellor shall, if he completes the age of sixty-five years during the term of his office or any extension thereof, retire from office.

(6) The emoluments and other terms and conditions of service of the Vice-Chancellor shall be such as may be prescribed by the Ordinances.

(7) If the office of the Vice-Chancellor becomes vacant due to his death, resignation or otherwise or if he is unable to perform his duties owing to absence, illness or any other cause, the Pro-Vice-Chancellor or one of the Pro-Vice-Chancellors according to seniority shall subject to his availability discharge the duties of the Vice-Chancellor until a new Vice-Chancellor assumes office:

Provided that if no Pro-Vice-Chancellor is available, the seniormost Professor shall discharge the duties of the Vice-Chancellor until a new Vice-Chancellor assumes office.

3. (1) The Vice-Chancellor shall be the *ex-officio* Chairman of the Court, the Executive Council, the Academic Council and the Finance Committee, and shall, in the absence of the Chancellor, preside at the Convocation held for conferring degrees. He shall be entitled to be present at, and to address, any meeting of any authority or other body of the University, but shall not be entitled to vote thereat unless he is a member of such authority or body. Powers and duties of the Vice-Chancellor.

(2) It shall be the duty of the Vice-Chancellor to see that the Act, the Statutes, the Ordinances and the Regulations are duly observed, and he shall have all powers necessary to ensure such observance.

(3) The Vice-Chancellor shall have the power to convene or cause to be convened meetings of the Court, the Executive Council, the Academic Council and the Finance Committee.

Pro-Vice-Chancellor.

4. (1) The Pro-Vice-Chancellor shall be appointed by the Executive Council on the recommendation of the Vice-Chancellor on such terms and conditions as may be laid down in the Ordinances:

Provided that where the recommendation of the Vice-Chancellor is not accepted by the Executive Council, the matter shall be referred to the Visitor who may either appoint the person recommended by the Vice-Chancellor or ask the Vice-Chancellor to recommend another person to the Executive Council:

Provided further that the Executive Council may, on the recommendation of the Vice-Chancellor appoint a Professor to discharge the duties of a Pro-Vice-Chancellor in addition to his own duties as a Professor.

(2) The term of office of the Pro-Vice-Chancellor shall be such as may be decided by the Executive Council, but it shall not in any case exceed five years or until the expiration of the term of office of the Vice-Chancellor whichever is earlier and shall be eligible for re-appointment:

Provided that the Pro-Vice-Chancellor shall retire on attaining the age of sixty-five years.

(3) The emoluments and other terms and conditions of service of the Pro-Vice-Chancellor shall be such as may be prescribed by the Ordinances.

(4) The Pro-Vice-Chancellor shall assist the Vice-Chancellor in respect of such matters as may be specified by the Vice-Chancellor in this behalf from time to time and shall also exercise such powers and perform such duties as may be assigned or delegated to him by the Vice-Chancellor.

Registrar

5. (1) The Registrar shall be a whole time salaried employee of the University and shall be appointed on the recommendation of a Selection Committee constituted for the purpose.

(2) The emoluments and other terms and conditions of service of the Registrar shall be such as may be prescribed by the Ordinances:

Provided that a Registrar shall retire on attaining the age of sixty years:

Provided further that notwithstanding his attaining the age of sixty years, he shall continue in office until his successor is appointed and enters upon his office.

(3) When the office of the Registrar is vacant or when the Registrar is, by reason of illness, absence or any other cause, unable to perform the duties of his office, the duties of the office shall be performed by such person as the Vice-Chancellor may appoint for the purpose.

(4) (a) The Registrar shall have power to take disciplinary action against such of the employees of the University as may be specified in the orders of the Executive Council and to suspend them pending inquiry, to administer warnings to them or to impose on them the penalty of censure or the withholding of increment:

Provided that no such penalty shall be imposed unless the person concerned has been given a reasonable opportunity of showing cause against the action proposed to be taken in regard to him.

(b) An appeal shall lie to the Vice-Chancellor against any order of the Registrar imposing any of the penalties specified in item (a).

(c) In a case where the inquiry discloses that a punishment beyond the powers of the Registrar is called for, the Registrar shall, upon conclusion of the inquiry, make a report to the Vice-Chancellor along with his recommendations:

Provided that an appeal shall lie to the Executive Council against an order of the Vice-Chancellor imposing any penalty.

(5) The Registrar shall be *ex-officio* Secretary of the Executive Council, the Academic Council and the Faculties, but shall not be deemed to be a member of any of these authorities. He shall be *ex-officio* Member-Secretary of the Court.

(6) It shall be the duty of the Registrar,—

(a) to be the custodian of the records, the common seal and such other property of the University as the Executive Council shall commit to his charge;

(b) to issue all notices convening meetings of the Court, Executive Council, Academic Council and Faculties, the Boards of Studies, the Boards of Examiners and of any committees appointed by the authorities of the University;

(c) to keep the minutes of all the meetings of the Court, Executive Council, Academic Council, Faculties and of any committees appointed by the authorities of the University;

(d) to conduct the official correspondence of the Court, Executive Council and Academic Council;

(e) to arrange for and superintend the examinations of the University in accordance with the manner prescribed by the Ordinances;

(f) to supply to the Visitor, copies of the agenda of the meetings of the authorities of the University as soon as they are issued and the minutes of the meetings;

(g) to represent the University in suits or proceedings by or against the University, sign powers of attorney and verify pleadings or depute his representative for the purpose; and

(h) perform such other duties as may be specified in these Statutes, or prescribed by the Ordinances or the Regulations or as may be required, from time to time, by the Executive Council or the Vice-Chancellor.

6. (1) The Finance Officer shall be a whole-time salaried employee of the University and shall be appointed on the recommendations of a Selection Committee constituted for the purpose on such terms and conditions as may be prescribed by the Ordinances: Finance Officer.

Provided that a person appointed as a Finance Officer shall retire from office when he attains the age of 60 years:

Provided further that notwithstanding his attaining the age of 60 years, he shall continue in office until his successor is appointed and enters upon his office or for a period of one year whichever is earlier.

(2) When the office of the Finance Officer is vacant or when the Finance Officer is, by reason of illness, absence or any other cause, unable to perform the duties of his office, the duties of the office shall be performed by such person as the Vice-Chancellor may appoint for the purpose.

(3) The Finance Officer shall—

(a) exercise general supervision over the funds of the University and shall advise it as regard its financial policy; and

(b) perform such other financial functions as may be assigned to him by the Executive Council or as may be prescribed by these Statutes or the Ordinances;

Provided that the Finance Officer shall not incur any expenditure or make any investment exceeding Rs. 10,000 without the previous approval of the Executive Council.

(4) Subject to the control of the Executive Council, the Finance Officer shall—

(a) hold and manage the property and investments including trust and endowed property;

(b) ensure that the limits fixed by the Finance Committee for recurring and non-recurring expenditure for a year are not exceeded and that all moneys are expended on the purposes for which they are granted or allotted;

(c) be responsible for the preparation of annual accounts and the budget of the University for the next financial year and for their presentation to the Executive Council;

(d) keep a constant watch on the state of the cash and bank balances and on the state of investment;

(e) watch the progress of the collection of revenue and advise on the methods of collection employed;

(f) have the accounts of the University regularly audited by an internal audit party;

(g) ensure that the registers of buildings, land, furniture and equipment are maintained up-to-date and that the stock-checking is conducted, of equipment and other consumable materials in all offices, Special Centres, Specialised Laboratories, colleges and institutions maintained by the University;

(h) call for explanation for unauthorised expenditure and for other financial irregularities and suggest disciplinary action against the persons at fault; and

(i) call for from any office, college or institution under the University, any information or returns that he may consider necessary for the performance of his duties.

(5) The receipt of the Finance Officer or of the person or persons duly authorised in this behalf by the Executive Council for any money payable to the University shall be sufficient discharge for payment of such money.

Deans of  
Faculties.

7. (1) Every Dean of a Faculty shall be appointed by the Vice-Chancellor from among the Professors in the Faculty for a period of three years and shall be eligible for re-appointment;

Provided that a Dean on attaining the age of sixty years shall cease to hold office as such:

Provided further that the persons holding office as Principal of the Jawaharlal Nehru Medical College and the Maulana Azad Engineering College on the commencement of the Aligarh Muslim University (Amendment) Act, 1972, shall continue to hold the office of the Deans of their respective Faculties until the expiry of their term of office.

(2) When the office of the Dean is vacant or when the Dean is, by reason of illness, absence or any other cause, unable to perform the duties of his office, the duties of the office shall be performed by such person as the Vice-Chancellor may appoint for the purpose.

(3) The Dean shall be the Head of the Faculty and shall be responsible for the conduct and maintenance of the standards of teaching and research in the Faculty. He shall have such other functions as may be prescribed by the Ordinances.

(4) The Dean shall have the right to be present and to speak at any meeting of a Board or committee of the Faculty, as the case may be, but not the right to vote thereat unless he is a member thereof.

Heads of  
Depart-  
ments.

8. In the case of Departments which have more than one Professor, the Head of the Department shall be appointed by the Vice-Chancellor from among the Professors. In the case of Departments where there is only one Professor, the Vice-Chancellor shall have the option to appoint either the Professor or a Reader as the Head of the Department. A person appointed as the Head of the Department shall hold office as such for a period of three years and shall be eligible for re-appointment. A Head of a Department may resign his office at any time during the tenure or also to decline the offer of appointment as the Head of the Department.

Chair-  
man,  
Stu-  
dents'  
Council.

9. (1) The Chairman, Students' Council shall be appointed by the Vice-Chancellor from amongst the teachers of the University.

(2) The Chairman so appointed under clause (1) shall hold office for such term as the Vice-Chancellor may specify. He shall be paid such honorarium and provided with such facilities as the Executive Council may determine.

Dean  
of Stu-  
dents'  
Welfare.

10. (1) The Dean of Students' Welfare shall be appointed from amongst the teachers of the University not below the rank of a Reader, by the Executive Council on the recommendation of the Vice-Chancellor.

(2) The Dean so appointed under clause (1) shall be a whole-time one and shall hold office for a term of three years and shall be eligible for re-appointment:

Provided that the Executive Council may, if it is considered necessary, appoint, on the recommendation of the Vice-Chancellor, a teacher, not below the rank of a Reader to discharge the duties of the Dean of Students' Welfare in addition to his duties and in such a case the Executive Council may sanction a suitable allowance.

(3) The person who is appointed as the Dean of Students' Welfare shall continue to hold his lien on his substantive post and shall be eligible to all the benefits that would have otherwise accrued to him but for his appointment as Dean of Students' Welfare.

(4) When the office of the Dean of Students' Welfare is vacant or when the Dean of Students' Welfare is, by reason of illness or absence or any other cause, unable to perform the duties of his office, the duties of the office shall be performed by such person as the Vice-Chancellor may appoint for the purpose.

(5) The duties and powers of the Dean of Students' Welfare shall be prescribed by the Ordinances.

Provost.

11. (1) A Provost shall be appointed by the Executive Council on the recommendation of the Vice-Chancellor and shall exercise such powers and perform such duties as may be assigned to him by the Vice-Chancellor.

(2) A Provost shall hold office for a term of two years and shall be eligible for re-appointment.

Proctor.

12. (1) A Proctor shall be appointed by the Executive Council on the recommendation of the Vice-Chancellor and shall exercise such powers and perform such duties as may be assigned to him by the Vice-Chancellor.

(2) A Proctor shall hold office for a term of two years and shall be eligible for re-appointment.

Librarian

13. (1) A Librarian shall be appointed by the Executive Council and shall be a whole-time officer of the University.

(2) He shall exercise such powers and perform such duties as may be assigned to him by the Executive Council.

Court

14. (1) The Court shall consist of the following members, namely:—

*Ex-officio members*

- (i) Vice-Chancellor,
- (ii) Pro-Vice-Chancellors,
- (iii) All Deans of Faculties,
- (iv) Chairman, Students' Council,
- (v) Dean of Students' Welfare,
- (vi) Librarian,
- (vii) Registrar;

*Representatives of Departments and Colleges*

(viii) The Principals of each of the following colleges, namely, Women's College, Tibbya College and Polytechnic by rotation according to seniority *inter se* as Principal,

(ix) Heads of Departments of Studies by rotation according to seniority in each Faculty as shown below:—

Faculty of Arts	..	4
Faculty of Engineering and Technology	..	1
Faculty of Medicine	..	5
Faculty of Science	..	5
Faculty of Social Science	..	4;

*Representatives of University Teachers other than Heads of Departments and Principals*

- (x) (a) Five Professors by rotation according to seniority,
- (b) Five Readers by rotation according to seniority,
- (c) Five Lecturers by rotation according to seniority;

*Representatives of students*

- (xi) (a) President and Secretary of the Students' Union,
- (b) Secretary, Students' Council,
- (c) Two persons to be elected by the Students' Council from its own members, provided that one of them shall be a Secretary of the Student Advisory Committee of a Faculty,
- (d) Five members to be elected by an electoral college consisting of students who have shown their academic merit in the manner prescribed by the Ordinances,
- (e) Five members to be elected by an electoral college or colleges consisting of the University Games Committee, University Cultural Programmes Committee and the University Social Service Committee in the manner prescribed by the Ordinances;

*Representatives of Ex-students*

- (xii) Ten representatives to be elected by the registered graduates or by the Alumni (Old Boys) Association;

*Representatives of Parliament*

- (xiii) Five representatives of Parliament, three to be nominated by the Speaker of the Lok Sabha from among the members thereof and two to be nominated by the Chairman of the Rajya Sabha from among the members thereof;

*Persons representing learned profession and special interests*

- (xiv) Twenty members from learned professions and special interests including representatives of Industry, Commerce, Trade Unions, Banking and Agriculture to be nominated by the Visitor;

*Nominated members*

- (xv) A person nominated by the Chief Rector;

*Remaining members of the Executive Council*

- (xvi) The members of the Executive Council not specified above:

Provided that persons under item (x) shall be appointed from the following groups by rotation according to seniority determined on the basis of their appointment in that category:

*Group I*

- (a) Faculty of Arts,
- (b) Faculty of Social Sciences

*Group II*

- (a) Faculty of Science,
- (b) Faculty of Medicine,
- (c) Faculty of Engineering and Technology

*Group III*

- (a) Faculty of Technology,
- (b) Faculty of Commerce,
- (c) Faculty of Law:

Provided further that election under items (xi) and (xii) shall be by the system of proportional representation.

(2) (i) All the members of the Court other than *ex-officio* members and members representing the students, shall hold office for a term of three years.

(ii) An *ex-officio* member shall cease to be a member of the Court as soon as he vacates the office by virtue of which he is such member.

(iii) Members representing students will hold office for a period of one year or till such time as they continue to be students, whichever is earlier.

(3) No student, who has passed the High School or an equivalent examination more than eight years earlier or the pre-University or an equivalent examination more than seven years earlier or has taken more than one year in excess of the period prescribed for the course for which he is a student shall be eligible to become a member under item (xi).

Provided that no student shall be eligible to become a member of the Court unless he has been on the rolls of the University for at least one year before he enters upon his office as such member.

(4) No employee of the University or of a recognised institution shall be eligible to be a member of the Court under any of the items (xii) to (xv).

Meetings  
of the  
Court

15. (1) An annual meeting of the Court shall be held on a date to be fixed by the Executive Council unless some other date has been fixed by the Court in respect of any year. At an annual meeting, a report of the working of the University during the previous year, together with a statement of the receipts and expenditure and the balance sheet, as audited, and the financial estimates for the next year shall be presented and any vacancies among the officers of the University or among the members of the Court, Executive Council or Finance Committee which are to be filled up by the Court shall be filled.



(2) A copy of the statement of receipts and expenditure, the balance-sheet and the financial estimates referred to in clause (1) shall be sent to every member of the Court at least seven days before the date of the annual meeting.

(3) Thirty-five members of the Court shall form a quorum.

(4) Special meetings of the Court may be convened by the Executive Council or the Vice-Chancellor, or, if there is no Vice-Chancellor, by the Pro-Vice-Chancellor, or if there is no Pro-Vice-Chancellor, by the Registrar:

Provided that a special meeting of the Court shall also be called if thirty-five members of the Court make a requisition in writing in this behalf.

16. (1) The Executive Council shall consist of the following members, Executive Council.  
namely:—

- |  |    |
|--|----|
| (i) Vice-Chancellor  | 1; |
| (ii) Pro-Vice-Chancellor   | 1; |
| (iii) (a) Dean, Faculty of Arts;   |    |
| (b) Dean, Faculty of Social Sciences;  |    |
| (c) Dean, Faculty of Science;  |    |
| (d) one Dean, by rotation from among the Deans of the Faculties of Medicine and Engineering;   |    |
| (e) one Dean, by rotation from among the Deans of the Faculties of Law, Commerce and Theology  | 5; |
| (iv) one Principal from the Principals of Women's College, Zakir Husain Engineering College and Jawaharlal Nehru Medical College by rotation according to seniority as principal   | 1; |
| (v) one Professor by rotation according to seniority   | 1; |
| (vi) three teachers of whom at least one shall be a lecturer to be elected by the Academic Council from amongst its members by a system of proportional representation   | 3; |
| (vii) three persons to be elected by the Court from among its members by a system of proportional representation, none of whom shall be an employee or a student of the University or a college maintained by the University | 3; |
| (viii) four persons to be nominated by the Visitor   | 4; |

---

19:

---

Provided that the Principal of the Zakir Husain Engineering College and Jawaharlal Nehru Medical College shall not while they are acting as the Deans, *ex-officio*, serve as members of the Executive Council under item (iii).

(2) All the members of the Executive Council, other than *ex-officio* members shall hold office for a term of three years.

**Powers  
and  
functions  
of Execu-  
tive  
Council.**

17. (1) The Executive Council shall have the management and administration of the revenue and property of the University and the conduct of all administrative affairs of the University not otherwise provided for.

(2) Subject to the provisions of the Act, the Statutes and the Ordinances, the Executive Council shall, in addition to all other powers vested in it, have the following powers, namely:—

(i) to appoint the Registrar, Finance Officer, Librarian, Principals of Colleges and institutions established by the University and such Professors, Readers, Lecturers and other members of the teaching and academic staff as may be necessary, on the recommendation of the Selection Committee constituted for the purpose;

Provided that no action shall be taken by the Executive Council in respect of the number, qualifications and the emoluments of teachers, without consideration of the recommendations of the Academic Council;

(ii) to appoint members of the administrative staff;

(iii) to grant leave of absence to any officer of the University, other than the Chancellor, and the Vice-Chancellor, and to make the necessary arrangements for the discharge of the functions of such officer during his absence;

(iv) to regulate and enforce discipline among members of the teaching, administrative and other staff of the University in accordance with these Statutes and the Ordinances;

(v) to manage and regulate the finances, accounts, investments, property, business and all other administrative affairs of the University, and for that purpose, to appoint such agents as it may think fit;

(vi) to invest any money belonging to the University, including any applied income, in such stocks, funds, shares or securities as it shall, from time to time, think fit, or in the purchase of immovable property in India, with the like power of varying such investments from time to time;

(vii) to transfer or accept transfers of any movable or immovable property on behalf of the University;

(viii) to provide the buildings, premises, furniture and apparatus and other means needed for carrying on the work of the University;

(ix) to enter into, vary, carry out and cancel contracts on behalf of the University;

(x) to entertain, adjudicate upon, and, if thought fit, to redress any grievances of the officers of the University, the teaching staff, the students and the University's servants, who may, for any reason feel aggrieved;

(xi) to appoint examiners and moderators and, if necessary to remove them, and to fix their fees, emoluments and travelling and other allowances, after consulting the Academic Council;

(xii) to maintain a register of donors to the University;

(xiii) to select a common seal for the University and provide for the custody and use of such seal;

(xiv) to make such special arrangements as may be necessary for the residence and discipline of women students;

(xv) to delegate any of its powers to the Vice-Chancellor, Pro-Vice-Chancellor, the Registrar or the Finance Officer or such other employee or authority of the University or to a Committee appointed by it as it may deem fit;

(xvi) to institute fellowships, scholarships, studentships, medals and prizes; and

(xvii) to exercise such other powers and perform such other duties as may be conferred or imposed on it by the Act or the Statutes.

18. (1) The Academic Council shall consist of the following members, Academic Council.  
namely:—

(i) Vice-Chancellor;

(ii) Pro-Vice-Chancellors;

(iii) Deans of Faculties;

(iv) Heads of Departments of Studies;

(v) Principals and Heads of Institutions;

(vi) Dean of Students Welfare;

(vii) Chairman, Students' Council;

(viii) Librarian;

(ix) Five professors other than the Heads of Departments;

(x) Five readers other than the Heads of Departments;

(xi) Five lecturers;

(xii) Five persons not being in the service of the University, co-opted by the Academic Council for their special knowledge, provided that not more than two persons shall be co-opted from subjects assigned to any one faculty;

(xiii) One Provost to be nominated by the Vice-Chancellor;

(xiv) Proctor;

Provided that the persons under categories (ix), (x) and (xi) shall be appointed from the following groups by rotation according to seniority determined on the basis of their appointments in that category:—

Group I 2

(a) Faculty of Arts,

(b) Faculty of Social Sciences;

Group II 2

(a) Faculty of Science,

(b) Faculty of Medicine,

(c) Faculty of Engineering and Technology;

Group III 1

(a) Faculty of Theology,

(b) Faculty of Commerce,

(c) Faculty of Law.

(2) The members of the Academic Council, other than *ex-officio* members shall hold office for a term of two years.

Powers  
of the  
Academic  
Council.

19. Subject to the Act, the Statutes and the Ordinances, the Academic Council shall, in addition to all other powers vested in it, have the following powers, namely:—

(a) to exercise general supervision over the academic policies of the University and to give directions regarding methods of instruction, co-operative teaching among colleges, evaluation of research or improvements in academic standards;

(b) to bring about inter-faculty co-ordination, to establish or appoint committees or Boards, for taking up projects on an inter-faculty basis;

(c) to consider matters of general academic interest either at its own initiative or referred to by a Faculty, or the Executive Council and to take appropriate action thereon; and

(d) to frame such regulations and rules consistent with the Statutes and Ordinances regarding the academic functioning of the University, discipline, residences, admissions, award of fellowships and studentships, fee concessions, corporate life and attendance.

Facul-  
ties and  
Depart-  
ments.

20. (1) The University shall have the following Faculties, namely:—

(i) Faculty of Theology;

(ii) Faculty of Arts;

(iii) Faculty of Science;

(iv) Faculty of Social Sciences;

(v) Faculty of Engineering and Technology;

(vi) Faculty of Medicine;

(vii) Faculty of Commerce; and

(ix) Such other Faculties as may be prescribed by these Statutes.

(2) (a) Each Faculty shall consist of such Departments as may be assigned to it by the Ordinances.

(b) No Department shall be established or abolished except by the Statutes.

(c) The Departments of Studies in existence in the University at the commencement of the Aligarh Muslim University (Amendment) Act, 1972 and the Faculties relating thereto are set out in the Annexure to these Statutes.

(d) Each Department shall consist of the following members, namely:—

(i) Teachers;

(ii) Persons conducting research in the Faculties concerned;

(iii) Dean of the Faculty or Deans of the Faculties concerned;

(iv) Honorary Professors, if any, attached to Department; and

(v) Such other persons as may be members of the Department in accordance with the provisions of the Ordinances.

(e) Each Department shall have a Head who shall be appointed in accordance with these Statutes and shall perform such functions as may be prescribed by the Ordinances.

(3) Every Faculty, other than the Faculty of Engineering and Technology, may comprise the following members, namely:—

- (i) Dean of Faculty who shall be the Chairman;
- (ii) All Professors in the Faculty;
- (iii) All Heads of Departments assigned to the Faculty who are not Professors;
- (iv) Principal, Women's College;
- (v) One Reader from each Department;
- (vi) Two Lecturers from each Department (one above ten years of service and one below ten years);
- (vii) Four persons nominated by the Academic Council from other Faculties of the University; and
- (viii) Five persons not in the service of the University co-opted by the Faculty for their special knowledge of any subject assigned to the Faculty, provided that not more than one person may be co-opted in respect of a subject assigned to a single Department:

Provided that the Principal, Women's College shall be on the Faculties of the subjects for which instruction is provided in that College:

Provided further that the Readers and Lecturers of categories (v) and (vi) shall serve on the Faculties by rotation, according to seniority.

(4) The Faculty of the Engineering and Technology shall consist of the following members, namely:—

- (i) Dean of the Faculty, who shall be the Chairman;
- (ii) Head of the University Polytechnic;
- (iii) All Professors in the Faculty;
- (iv) One Reader and one Lecturer by rotation according to seniority from each Department or Section in the Faculty;
- (v) Not more than three Readers from the University Polytechnic;
- (vi) One Lecturer at the University Polytechnic, by rotation according to seniority;
- (vii) Persons not connected with the University having expert knowledge of the subject or subjects concerned, co-opted by the Faculty, one for each Department of the Faculty; and
- (viii) Three members elected by the Academic Council for their special knowledge of any subject assigned to the Faculty or of any allied branches of knowledge.

(5) All members of a Faculty, other than the *ex-officio* members shall hold office for a term of two years.

(6) The conduct of the meetings of a Faculty, the quorum required for each Faculty and the constitutions of the Boards of Studies shall be prescribed by the Ordinances.

Powers  
and  
func-  
tions  
of the  
Facul-  
ties.

21. In addition to the powers and functions of the Faculties prescribed under the Ordinances, they shall have power—

(a) to co-ordinate teaching and research activities of Departments and Centres assigned to the Faculty, and to promote and provide for inter-disciplinary teaching and research; and to arrange for examinations and periodical tests in subjects falling within the purview of the Faculty;

(b) to appoint Boards of Studies or committees or to undertake research projects common to more than one Department;

(c) to approve courses of study proposed by the Departments;

(d) to forward to the Executive Council the recommendations of the Boards of Studies or Committee for Advanced Studies and Research;

(e) to propose the draft of Ordinances for the examinations for courses conducted by the Faculty;

(f) to recommend proposals for the creation and abolition of teaching posts; and

(g) to perform such other functions as the Executive Council and Academic Council may prescribe.

Boards  
of Stu-  
dies.

22. (1) Each Department shall have a Board of Studies which shall consist of:

(i) the Head of the Department—*Chairman*;

(ii) the Professors in the Department;

(iii) two Readers in the Department by rotation according to seniority;

(iv) two Lectures in the Department, one with more than seven years of service and the other with less than seven years by rotation according to seniority;

(v) two persons teaching allied or cognate subjects in the University assigned by the Academic Council; and

(vi) two experts not in the service of the University, appointed by the Vice-Chancellor on the recommendation of the Head of the Department.

(2) The term of appointment of members other than the *ex-officio* members of the Boards of Studies shall be for a period of two years.

(3) The functions of the Board of Studies shall be to recommend to the Faculty:

(a) courses of studies and appointment of examiners for post-graduate courses, but excluding research degrees;

(b) approve subjects for research for various degrees and other requirements of research degrees;

(c) appointment of supervisors of research; and

(d) measures for the improvement of the standard of post-graduate teaching and research:

Provided that where the number of teachers in a Department does not exceed twenty, the aforesaid functions shall be performed by the Department.

23. (1) Each teaching department, where the number of teachers exceeds twenty shall have a Departmental Committee consisting of the following members, namely:—

Depart-  
mental  
Com-  
mittees.

- (i) Head of the Department—*Chairman*;
- (ii) Professors in the Department;
- (iii) Two Readers in the Department by rotation according to seniority; and
- (iv) Two Lecturers in the Department by rotation according to seniority.

(2) The Readers and Lecturers shall hold office as members of the Departmental Committee for a period of two years.

(3) The functions of the Departmental Committee shall be to allocate teaching work, recommend the creation or abolition of teaching posts or their upgrading make recommendations regarding the field of study of each post at the time of recruitment and consider matters of general and academic interest to the Department and of its functioning.

24. (1) The composition of the Students' Council may be as follows:—

Students'  
Council.

- (i) *Chairman*;
- (ii) President, Vice-President and Secretary of the University Students' Union;
- (iii) The Secretary of the Students' Advisory Committee of each Faculty;
- (iv) Ten persons elected by an electoral college consisting of University Colleges, Polytechnics, Students Advisory Committee, halls and hostels in accordance with the system of proportional representation; and
- (v) Five students nominated by the Vice-Chancellor from amongst outstanding students or sportsmen or those who have distinguished themselves in any field of student activity, giving due consideration to the representation of special interests.

(2) The Secretary of the Students' Council shall be elected by it from amongst its members through the system of proportional representation by means of single transferable vote.

25. (1) The powers and functions of the Students' Council shall be as follows:—

Powers  
and  
functions  
of Stu-  
dents'  
Council.

(i) to make recommendations to the Executive and Academic Councils in matters affecting the academic work of the students such as the structure of courses, pattern of instruction, the corporate life of the University in so far as it concerns the students, and the co-curricular and extra-curricular activities in the University;

(ii) all rules affecting discipline, welfare, sports, literary and departmental societies, management of hostels, student homes, non-resident student centres, extension work, social work, students health, National Service Scheme, National Cadet Corps, etc., shall ordinarily be placed before the Students' Council for obtaining its views,

which will then be communicated to the Academic and Executive Councils for decision;

(iii) the Council shall have the right to communicate its views, observations and recommendations to the Vice-Chancellor or any authority of the University, in respect of any matter which concerns the students. The Chairman of the Students' Council will be the authority to decide whether a matter does or does not concern the students.

(2) The meetings of the Students' Council shall be held at least three times every year, and not more than six months shall elapse between two meetings. Extraordinary meetings may be held either at the instance of the Chairman, or at the request of not less than half of the members of the Council. Ten members of the Council shall form the quorum for a meeting of the Students' Council.

Finance  
Com-  
mittee.

26. (1) The Finance Committee shall consist of the following members, namely:—

- (i) Vice-Chancellor;
- (ii) Pro-Vice-Chancellor;
- (iii) Two Deans of the Faculties, to be nominated by the Executive Council;
- (iv) One person nominated by the Executive Council from amongst its members other than those in the service of the University;
- (v) Three persons nominated by the Visitor.

(2) Five members of the Finance Committee shall form a quorum for a meeting of the Finance Committee.

(3) All members of the Finance Committee, other than *ex-officio* members, shall hold office for a term of three years.

(4) The Vice-Chancellor shall preside at the meetings of the Finance Committee.

(5) A member of the Finance Committee shall have the right to record a minute of dissent if he does not agree with any decision of the Finance Committee.

(6) The Finance Committee shall meet at least twice every year to examine the accounts and to scrutinise proposals for expenditure.

(7) The annual accounts and the Financial estimates of the University prepared by the Finance Officer shall be laid before the Finance Committee for consideration and comments and thereafter submitted to the Executive Council for approval.

(8) The Finance Committee shall fix limits for the total recurring expenditure and the total non-recurring expenditure for the year, based on the income and resources of the University (which, in the case of productive works, may include the proceeds of loans). No expenditure shall be incurred by the University in excess of the limits so fixed.

(9) No expenditure other than that provided for in the budget shall be incurred by the University without the approval of the Finance Committee.

Selec-  
tion Com-  
mittees.

27. (1) The Selection Committee for appointment to the posts specified in column (1) of the Table below shall consist of the Vice-Chancellor, the senior Pro-Vice-Chancellor, a nominee of the Visitor and the persons specified in the corresponding entry in column (2) of the said Table:



Provided that the Principal of the Muslim University Women's College shall also be an *ex-officio* member of the Selection Committee for the appointment of a teacher in the College:

Provided further that the Selection Committee for teaching posts in the Faculty of Engineering and Technology shall include a nominee of the All India Council of Technical Education.

TABLE

(1)	(2)
Professor	(i) The Head of the Department concerned, if he is a Professor. (ii) One Professor of the Department to be nominated by the Vice-Chancellor. (iii) Three persons not in the service of the University, nominated by the Executive Council, out of a panel of names recommended by the Academic Council for their special knowledge of or interest in the subject with which the Professor will be concerned.
Reader/Lecturer	(i) The Head of the Department concerned. (ii) One Professor of the Department to be nominated by the Vice-Chancellor. (iii) Two persons not in the service of the University, nominated by the Executive Council, out of a panel of names recommended by the Academic Council for their special knowledge of or interest in the subject with which the Reader or Lecturer will be concerned.
Registrar/Finance Officer	(i) Two members of the Executive Council nominated by it. (ii) One person, not connected with the University, nominated by the Executive Council.
Librarian	(i) Two persons not in the service of the University, who have special knowledge of the subject of Library Science/Library Administration to be nominated by the Executive Council. (ii) One person, not in the service of the University, nominated by the Executive Council.
Principal of College or Institution maintained by the University	Three persons not in the service of the University of whom two shall be nominated by the Executive Council and one by the Academic Council for their special knowledge of or interest in a subject in which instruction is being provided by the College or Institution.

(2) The Vice-Chancellor, or in his absence, the senior Pro-Vice-Chancellor, shall preside at the meetings of the Selection Committee.

(3) The meetings of the Selection Committee shall be convened by the Vice-Chancellor or in his absence, by the Pro-Vice-Chancellor.

(4) The procedure to be followed by a Selection Committee in making recommendations shall be laid down in the Ordinances.

(5) If the Executive Council is unable to accept the recommendations made by the Committee, it shall record its reasons and submit the case to the Visitor for final orders.

(6) Notwithstanding anything contained in the foregoing clauses of this Statute, the Executive Council may invite a person of high academic distinction and professional attainment to accept a post of Professor or Reader in the University, as the case may be, on such terms and conditions as it deems fit, and on the person agreeing to do so, appoint him to the post.

(7) The Executive Council of the University may appoint a teacher or any other academic staff working in any other University or institution for undertaking a joint project in accordance with the manner prescribed in the Ordinances.

NOTE 1.—Where the appointment is being made for an inter-disciplinary project, the Head of the project may be deemed to be the Head of the Department concerned.

NOTE 2.—The Professor shall be concerned with the speciality for which the selection is being made and that the Vice-Chancellor shall consult the Head of the Department and the Dean of Faculty before nominating the Professor.

Com-  
mittees.

28. Any authority of the University may appoint as many standing or special committees as it may deem fit, and may appoint to such committees persons who are not members of such authority. Any such committee may deal with any subject delegated to it subject to subsequent confirmation by the authority appointing it.

Terms  
and  
condi-  
tions of  
service of  
teachers.

29. (1) All the teachers of the University or any of its Institutions shall, in the absence of any agreement to the contrary, be governed by the terms and conditions of service as specified in the Statutes, Ordinances and Regulations of the University:

Provided that no alteration in the salary, the rate of contribution to the Provident Fund and the age of superannuation of a teacher in the service of the University shall be made to his disadvantage except with the previous approval of the Visitor.

(2) (a) All appointments to permanent posts of teachers in the University shall be made by the Executive Council on the recommendation of a Selection Committee in accordance with the provisions of these Statutes after such posts have been duly advertised and the candidates concerned have been interviewed by the Selection Committee, except in cases where such Committee decides to consider the case of a candidate otherwise than by an interview. Except as otherwise provided for in his contract of service, every teacher thus selected shall be placed on probation for a period of one year, on the expiry of which period he may be confirmed in his post. If he is not so confirmed, the Executive Council, may, if it deems fit, dispense with his services after the expiry of his probationary period as may be practicable or extend the period of his probation for one year at the end of which, if he is not confirmed in his post, his services shall be dispensed with after the expiry of the period of extension of his probation:

Provided that, if a person in the permanent service of the University is appointed on probation to a higher post in the same department, he shall not lose his lien on his substantive post, nor shall he be deprived of the benefits of leave rules and of the Provident Fund Statutes to which he was entitled at the time of his appointment to the higher post during the period of his probation:

Provided further that the service of a teacher appointed on probation may be terminated at any time during the probationary period by giving two months' notice without assigning any reason.

(b) In making temporary appointments to posts of teachers—

(i) if the temporary vacancy is for a duration longer than one academic session, it shall be filled on the advice of the Selection Committee in accordance with the procedure indicated in the preceding item (a); and

(ii) if the temporary vacancy is for a period less than a year, an appointment to such vacancy shall be made on the recommendation of a local Selection Committee consisting of:—

- (A) The Dean of the Faculty;
- (B) The Head of the Department; and
- (C) a nominee of the Vice-Chancellor:

Provided that if the same person holds the offices of the Dean and the Head of the Department, the Selection Committee may contain two nominees of the Vice-Chancellor:

Provided further that in case of sudden casual vacancies of teaching posts caused by death or any other reason, the Dean, may, in consultation with the Head of the Department concerned, make a temporary appointment for a month and report to the Vice-Chancellor and the Registrar about such appointment.

(c) No teacher appointed temporarily shall, if he is not recommended by a regular Selection Committee for appointment under these Statutes be continued in service on such temporary employment, or given a fresh appointment unless he is subsequently selected by a local Selection Committee or a regular Selection Committee, for a temporary or permanent appointment, as the case may be.

(3) Every teacher of the University shall be ordinarily appointed on a written contract, the form of which shall be prescribed by Regulations. A copy of the contract shall be deposited with the Registrar.

(4) No teacher of the University shall be confirmed in his post unless he has fulfilled the conditions laid down in the contract of his appointment and unless the Vice-Chancellor, on the recommendation of the Dean of the Faculty and Head of the Department concerned, and in the case of the Head of Department, on the recommendation of the Dean concerned, testifies to his fitness for confirmation.

(5) All temporary teachers whose total service in the University exceeds one year shall be required within two months of the completion of one year to produce a physical fitness certificate signed by a registered Medical Graduate, not below the status of a Civil Surgeon, provided that if the physical fitness examination is conducted at the University Health Service, the certificate signed by the Chief Medical Officer shall be deemed to be sufficient.

(6) Teachers appointed on probation and those in whose case probation has been waived, shall be required to produce a physical fitness certificate of the nature prescribed in clause (5) before joining their appointment:

Provided that nothing in this clause shall apply to such teachers who are already holding a permanent post in the University.

(7) Teachers holding temporary appointments shall not be confirmed in their posts unless they produce a physical fitness certificate as required in the foregoing clauses.

(8) No fee shall be charged if the physical fitness examination is conducted at the University Health Service.

(9) All the teachers of the University shall, if they are not employed for a fixed period, retire at the age of sixty. The Executive Council may, however, in the interests of the University grant extension of service up to the age of sixty-three, subject to the condition that such extension shall not be for more than one year at a time:

Provided that the teachers whose retirement is due on the 1st of September or a later date in any academic year inclusive of such leave preparatory to retirement as may be due to them may be retained at their option in the service of the University till the end of the academic year.

(10) (a) A teacher due for retirement shall apply well before the date of retirement for such leave as may be due to him before retirement, and if he fails to so apply, he shall not be entitled to avail of the leave after retirement. Leave so applied for may be sanctioned, or refused in the interests of the University. If leave is so refused, the leave due shall be availed of after retirement.

(b) All recommendations for extension of service beyond sixty years shall be sent to the Registrar by the Head of the Department through the Dean of the Faculty concerned or by the Dean of the Faculty if such recommendation is concerning the Head of a Department, at least six months before the date of retirement.

(11) Notwithstanding anything contained in the foregoing clauses of this Statute, the University may permit any Professor or Reader to accept, concurrently on a part-time basis, appointment in any University or institution on such terms and conditions as may be prescribed in the Ordinances.

Seniority  
lists.

30. (1) Whenever, in accordance with these Statutes, any person is to hold an office or be a member of an authority of the University by rotation according to seniority, such seniority shall be determined according to the length of continuous service of such person in his grade, and, in accordance with such other principles as the Executive Council may from time to time prescribe.

(2) It shall be the duty of the Registrar to prepare and maintain, in respect of each class of persons to whom the provisions of these Statutes apply, a complete and up-to-date seniority list in accordance with the provisions of the foregoing clause.

(3) If two or more persons have equal length of continuous service in a particular grade or the relative seniority of any person or persons is otherwise in doubt, the Registrar may, on his own motion and shall, at the request of any such person, submit the matter to the Executive Council whose decision thereon shall be final.

31. (1) The Executive Council may, by resolution passed by a majority of not less than two-thirds of the members present and voting:—

Powers  
in res-  
pect of  
granting  
and  
withdraw-  
ing  
degrees.

(a) on the recommendation of Academic Council, make proposals to the Chancellor for the conferment of honorary degrees;

(b) withdraw any ordinary degree or diploma conferred by the University; and

(c) with the sanction of the Chancellor, withdraw any honorary degree.

(2) Notwithstanding anything contained in clause (1), in cases of urgency, the Chancellor, may, on the recommendations of the Executive Council alone, confer an honorary degree.

32. (1) There shall be a Students' Union for the University.

Students'  
Union.

(2) Every student of the University shall be deemed to be a member of the Students' Union.

(3) There shall be a General Council of the Students' Union which shall consist of such number of students, and shall be constituted in such manner as may be prescribed by the Ordinances.

(4) The University may, after ascertaining the views of the Students' Council, in such manner as may be prescribed by the Ordinances, fix such fees as the students may be required to pay for their membership of the Students' Union.

(5) The powers and functions of the Students' Union and of the General Council shall be such as may be prescribed by the Ordinances.

33. (1) There shall be a Teachers' Association for the University.

Teachers'  
Associa-  
tion.

(2) The constitution and functions of the Association will be such as may be prescribed in the Ordinances.

34. (1) There shall be a Staff Association for the staff of the University other than academic staff.

Non-  
academic  
Staff  
Associa-  
tion.

(2) The constitution and functions of the Staff Association referred to in clause (1) shall be such as may be prescribed in the Ordinances.

35. (1) All powers relating to discipline and disciplinary action in relation to students shall vest in the Vice-Chancellor.

Mainte-  
nance of  
discipline  
among  
students  
of the  
Univer-  
sity.

(2) The Vice-Chancellor may delegate all or any of his powers as he deems proper to the Chief Proctor and to such other officers as he may specify in this behalf.

(3) Without prejudice to the generality of his powers relating to the maintenance of discipline and taking such action in the interest of maintaining discipline as may seem to him appropriate, the Vice-Chancellor may, in the exercise of his powers, by order, direct that any student or students be expelled, or rusticated, for a specified period, or be not admitted to a course or courses of study in a College, Department or Institution of the University for a stated period, or be punished with fine for an amount to be specified in the order, or be debarred from taking a University or College or Departmental Examination or Examinations for one or more years, or that the results of the student or students concerned in the Examination or Examinations in which he or they have appeared be cancelled.

(4) The Principals of Colleges, Heads of Special Centres, Deans of Faculties and Heads of Teaching Departments in the University shall have the authority to exercise all such disciplinary powers over the students in their respective Colleges, Special Centres, Institutions, Faculties and Teaching Departments in the University as may be necessary for the proper conduct of the Institutions, Special Centres and teaching in the concerned Departments.

(5) Without prejudice to the powers of the Vice-Chancellor and the Chief Proctor as aforesaid, detailed rules of discipline and proper conduct shall be framed by the University. The Principals of Colleges, Heads of Special Centres, Deans of Faculties and Heads of Teaching Departments in the University may frame such supplementary rules, as they deem necessary for the aforesaid purposes. Every student shall be supplied with a copy of rules so made.

(6) At the time of the admission, every student shall be required to sign a declaration to the effect that he submits himself to the disciplinary jurisdiction of the Vice-Chancellor and the other authorities of the University.

**Establishment of Colleges and Institutions.**

36. The establishment of Colleges and Institutions and the abolition thereof shall be governed by these Statutes:

Provided that the Colleges and Institutions which have been established in accordance with the Act, the Statutes or the Ordinances in force immediately before the commencement of the Aligarh Muslim University (Amendment) Act, 1972, shall be deemed to be the Colleges and Institutions established by these Statutes.

**Convocation.**

37. Convocations of the University for the conferring of degrees or for other purposes shall be held in such manner as may be prescribed by the Ordinances.

**Acting Chairman of meetings.**

38. Where no provision is made for a President or Chairman to preside over a meeting of an authority of the University or any committee of such authority or when the President or Chairman so provided for is absent, the members present shall elect one from among themselves to preside at such meeting.

**Resignation.**

39. (1) Any member, other than an *ex-officio* member of the Court, Executive Council, Academic Council or any other authority of the University or any committee of such authority may resign by letter

addressed to the Registrar, and the resignation shall take effect as soon as such letter is received by the Registrar.

(2) Any officer of the University, whether salaried or otherwise, other than a Dean, may resign his office by letter addressed to the Registrar:

Provided that such resignation shall take effect only on the date from which the same is accepted by the authority competent to fill the vacancy.

40. (1) A member of the Court, Executive Council or Academic Council may be removed by a resolution of the Court, Executive Council or Academic Council, as the case may be, passed by a majority of not less than two-thirds of its members on either of the following grounds, namely:—

Removal  
of mem-  
bers and  
employees.

(i) such member has become incapable of performing his duties;

(ii) such member has been convicted by a court of an offence which, in the opinion of the Court of the University, Executive Council or Academic Council, as the case may be, involves moral turpitude.

(2) Notwithstanding anything contained to the contrary in the terms of his contract of service or of his appointment, any officer of the University, salaried or otherwise, may be removed from that office by the authority which is competent to fill the vacancy on either of the following grounds, namely:—

(i) the officer has become incapable of performing his duties;

(ii) the officer has been convicted by a court of an offence which, in the opinion of the Court of the University, Executive Council or Academic Council, as the case may be, involves moral turpitude:

Provided that nothing in this clause shall be deemed to affect any rights accruing to an officer appointed on contract in accordance with the terms of such contract.

(3) (a) Notwithstanding anything contained in the terms of the contract of service of a teacher, the Executive Council shall be entitled to dismiss a teacher on grounds of misconduct after following the procedure specified in clause (c), but save as aforesaid, the Executive Council shall not be entitled to determine the employment of a teacher save for good cause and after giving three months' notice in writing or payment of three months' salary in lieu of such notice.

(b) The determination of a teacher's employment shall require a two-thirds majority of the members of the Executive Council present and voting.

(c) The Vice-Chancellor may suspend a teacher against whom any misconduct is alleged and shall report the case to the next meeting of the Executive Council, but before any orders for dismissal are passed, the teacher shall be informed of the allegations made against him and shall be given a reasonable opportunity to make such representation to the Executive Council or to any Committee thereof appointed for the purpose, as he may desire to make;

(d) Any dismissal on the ground of misconduct shall take effect on the date on which the teacher was first suspended.

(e) Before a notice is given or payment is made to the teacher under sub-clause (a), he shall be informed by the Executive Council of the cause of the action proposed to be taken against him and shall be given a reasonable opportunity of making such representations to the Executive Council or to any Committee thereof appointed for the purpose, as he may desire to make.

(f) Notwithstanding anything contained in the Statutes, the teacher may at any time require his employment to be terminated by giving the Executive Council three months' notice in writing.

Residence condition for membership and office.

41. Notwithstanding anything contained in these Statutes, no person who is not ordinarily resident in India shall be eligible to be an officer of the University or a member of any authority of the University.

Membership of authorities by virtue of membership of other bodies.

42. Notwithstanding anything contained in these Statutes, a person who holds any post in the University or is a member of any authority or body of the University in his capacity as a member of a particular authority or body or as the holder of a particular appointment shall hold office so long only as he continues to be a member of that particular authority or body or the holder of that particular appointment, as the case may be.

Alumni (Old Boys) Association.

43. No member of the Alumni (Old Boys) Association shall be entitled to vote or stand for the election to the Court unless—

(i) he has been a member of the Association for at least five years continuously prior to the date of election;

(ii) he pays such subscription and satisfies other conditions, as may be prescribed by the Ordinances; and

(iii) he is a graduate of the Aligarh Muslim University or an ex-student of the Muhammedan Anglo-Oriental College or the Muhammedan Anglo-Oriental Collegiate School, Aligarh:

Provided that if he is not a graduate, he should have been a member of the Association for at least ten years continuously prior to the date of election.

*Explanation.*—The word "graduate" in this Statute shall include a graduate of the Muhammedan Anglo-Oriental College, Aligarh.

Delegation of powers.

44. Subject to the provisions of the Act and these Statutes, any officer or authority of the University may delegate his or its powers to any other officer or authority or person under their respective control and subject to the condition that overall responsibility for the exercise of the powers so delegated shall continue to vest in the officer or authority delegating such powers.

#### ANNEXURE

##### (a) Faculty of Arts:

(i) Department of Arabic,

(ii) Department of English,



- (iii) Department of Hindi,
- (iv) Department of Linguistics,
- (v) Department of Persian,
- (vi) Department of Philosophy,
- (vii) Department of Sanskrit,
- (viii) Department of Urdu;
- (b) *Faculty of Social Sciences:*
  - (i) Department of Economics,
  - (ii) Department of Education,
  - (iii) Department of History,
  - (iv) Department of Islamic Studies,
  - (v) Department of Library Science,
  - (vi) Department of Political Science,
  - (vii) Department of Psychology,
  - (viii) Department of Sociology,
  - (ix) Centre of West Asian Studies;
- (c) *Faculty of Commerce:*
  - (i) Department of Commerce;
- (d) *Faculty of Law:*
  - (i) Department of Law;
- (e) *Faculty of Theology:*
  - (i) Department of Sunni Theology,
  - (ii) Department of Shia Theology;
- (f) *Faculty of Science:*
  - (i) Department of Botany,
  - (ii) Department of Chemistry,
  - (iii) Department of Geography,
  - (iv) Department of Geology,
  - (v) Department of Mathematics and Statistics,
  - (vi) Department of Physics,
  - (vii) Department of Zoology,
  - (viii) Department of Military Science;
- (g) *Faculty of Medicine:*
  - (i) Department of Anatomy,
  - (ii) Department of Physiology,
  - (iii) Department of Bio-Chemistry,
  - (iv) Department of Pharmacology,
  - (v) Department of Pathology,
  - (vi) Department of Micro-Biology,
  - (vii) Department of Surgery,
  - (viii) Department of Radiology.





The main features of the Bill are:—

(i) The University is being given additional powers, important among which are: Provision for instruction through correspondence courses or any other method; establishment of special centres and specialised laboratories and such other units for research and education as are necessary for the furtherance of the objects of the University within a radius of 25 kilometres of the University; and appointment of persons working in any other University, institution or organisation as teachers of the University.

(ii) In view of the persistent demand for preserving the residential character of the University, the provision in the Act of the University for affiliation of colleges is being deleted.

(iii) The mode of appointment of officers of the University is being revised in the light of the recommendations made by the Gajendragadkar Committee. The Chancellor will hereafter be appointed by the Visitor out of a panel of names submitted by the Executive Council instead of being elected by the Court. The Vice-Chancellor will be appointed by the Visitor on the recommendation made by a Committee consisting of two nominees of the Executive Council and one nominee of the Visitor. Provision is being made for retirement of the Vice-Chancellor/Pro-Vice-Chancellor on attaining the age of 65 years. The term of the Vice-Chancellor is being reduced from 6 to 5 years with eligibility for re-appointment.

(iv) The constitution and functions of the Court, the Executive Council and the Academic Council and other authorities of the University are being revised in the light of the recommendations made by the Gajendragadkar Committee. The Court will hereafter be a "deliberative" body and will not be saddled with the authority to overrule the decisions of the Executive Council and other bodies of the University. It is, however, being vested with powers to review the broad policies, programmes of the University and to suggest measures for its improvement and development. The Court will consist of 104 members, of whom 64 will be internal members and 40 external members. The members of the Court will *inter alia* include 15 representatives of students. The Executive Council will be the principal executive body of the University and will consist of 19 members, a majority of whom will be teachers of the University. The Academic Council will now have the general supervision over the academic policies of the University and will no longer be concerned with details. The Finance Committee, which was hitherto an authority of the University will now be a sub-committee of the Executive Council.

(v) Provision is being made for the establishment of a Students' Council as an authority of the University. The Council shall have the power to make recommendations to the University authorities in matters affecting the academic work of the students and about the rules affecting the discipline, welfare, management of hostels, etc.

(vi) Each Department will have a Board of Studies which will make recommendations to the Faculty regarding academic matters concerning the Department. Provision is also being made for Departmental Committees in the case of departments having more than twenty teachers.

---

(vii) The powers of the University to make Statutes, Ordinances and Regulations are being enlarged to include matters like manner of appointment of staff, procedure for arbitration and appeal, Associations of teaching and non-teaching staff, participation of students in the affairs of the University, maintenance of discipline, etc.

(viii) A new provision is being made to enable the aggrieved students to appeal to the Executive Council or to get the disputes referred to a Tribunal of Arbitration.

(ix) A provision is being made to protect officers and employees of the University against civil suits in respect of action taken by them in good faith.

NEW DELHI;

S. NURUL HASAN.

*The 27th May, 1972.*

## MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 24 of the Bill which proposes to substitute a new section for section 28 of the principal Act empowers the Executive Council of the University to make new or additional Statutes or to amend or repeal the Statutes subject to the previous approval of the Visitor. Clause 25 of the Bill which proposes to substitute sub-section (2) of section 29 of the principal Act enables the Executive Council of the University subject to certain conditions. The matters in respect of which the Executive Council may amend or repeal the Statutes relate to the constitution, powers and functions of the authorities of the University, the manner of appointment of the officers and teachers of the University, the terms and conditions of service of teachers and other employees of the University and other matters. The matters in respect of which the Executive Council may amend or repeal the Ordinances relate to the establishment of Centres of Study, specialised laboratories, the manner of co-operation and collaboration with other Universities and authorities and other matters.

2. The matters for which the Executive Council may amend or repeal the Statutes or Ordinances pertain to matters of procedure or detail and as such the delegation of legislative power is of a normal character.

---

S. L. SHAKDHER,

*Secretary.*